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Kozyrev Views Ties With NATO, Other Countries

LD1411193093 Moscow Ostankino Television First Channel Network in Russian 1450 GMT 14 Nov 93

[Interview with Foreign Minister Andrey Kozyrev by Vladimir Sukhoy at the Ministry of Foreign Affairs of the Russian Federation; date not given; from the "Panorama" program—live or recorded]

[Text] [Sukhoy] Hello. This is another "Panorama" program on the air. The election campaign in Russia has entered the home stretch. We continue to acquaint you with the views of prominent Russian politicians on our country's foreign policy. Today we have come to the Ministry of Foreign Affairs of the Russian Federation to talk to the minister Andrey Vladimirovich Kozyrev.

Andrey Vladimirovich, as a weekly international bulletin, "Panorama" cannct fail to be concerned about various aspects of Russ an foreign policy. Recently, however, in the mass media, and that includes our program, the issue has been raised differently; namely, is there a Russian foreign policy? Well, as they say, now's your chance.

[Kozyrev] I think that this is chiefly said by people who wish to highlight the issue and ask whether there is such a thing as Russian statehood, whether there is a foreign policy, whether there is a defense policy, and so on. I think that this is correct. It is, after all, an attempt to focus attention on the problems of the new statehood and, of course, the search for the answer to this question is a collective matter. When the parliament assembles, say, there will be a range of views there. However, in our previous Supreme Soviet, to start with there seemed to be attempts to get a serious debate going but it quickly degenerated into political speculation and to pressure by the red-browns, who deny there is any foreign policy primarily because they are categorically opposed to it. They would like our best friends to include Iraq from which, incidentally, they have received money. If someone says there is no policy, but that he knows and has a magic wand, that person is a political charlatan.

What is at issue is working together on specific issues. One specific issue is that Russia needs to occupy a worthy position in the club of leading Western states, democratic states. Not because we have a pro-Western stance but because we want to live as well as the French, with whom we had a military alliance 100 years ago. There is nothing new for Russia about the issue of alliances with Western states. It is, if you like, a returning to roots. Unless we have good relations with the Western states, then NATO will advance right up to our borders. Why? Because they will see us as the enemy, as bad people, and so on.

As for neighboring foreign states, we need to have good relations with them, otherwise we will end up blockading ourselves in or creating a kind of cordon sanitaire around ourselves. That is absurd. How we, for example, protect Russian-speaking populations is another matter. That is a difficult issue.

Take sanctions against any of the republics. As you know, sanctions would strike first and foremost at heavy industry—and it is the Russian-speaking population who work at large enterprises which used to be subordinate to the Union. In other words, you have to think. On the other hand, of course, I am in favor now of making a strict link between economic deals—and especially credit agreements—and dual citizenship and other proposals that we have made in relation to human rights. You see, we have a policy on integration with the international community, and we have a policy on good-neighborliness and on defending the interests of the Russian-speaking population, for example. So, instead of these wholesale... [pauses] In this pre-election situation, I don't intend... [pauses] The easiest thing for any bloc is to say that there is no policy, you see.

[Sukhoy] But it is always said as a reproach that you are only improvising, that there is no foreign policy doctrine, that there is no balanced concept, and so on. What would you say to that?

[Kozyrev] It is simply a matter of ignorance. You have only to read the endless series of interviews that I have given and speeches that the president and the prime minister have delivered to see that we do have all these things. It has been explained a hundred times, but let me say it once again. All the priorities have been established: the former Soviet republics, the Russian-speaking population, our dignified, independent entry into an alliance with the most developed states, and so on. In other words, either they are ignorant, or they do not like our policy.

[Sukhoy] What advice would Andrey Vladimirovich Kozyrev, the electioneering politician, give to Andrey Kozyrev, the foreign minister?

[Kozyrev] I think the advice would be to tackle very specific matters. I have just visited Ukraine. I have to argue and, unfortunately, to link credit policy with dual citizenship, the Black Sea Fleet, and nuclear weapons, although naturally I should like very n uch—and I will devote all my energies to achieving this--to reach agreement in a human manner, without linkages and threats. I will be going to Central Asia in the near future. The same thing applies there. Of course, it would be better to manage without linking credit with the Russian-speaking population, for example.

Therefore, I am always a supporter of doing things the right way. This is usually the reason for the criticism that Kozyrev is such a gentle, soft sort. It would be a poor foreign minister who did not try first to reach agreement before starting to issue threats and the like. For this reason, my main advice and wish is that we should have a pragmatic, professional parliament. We have a great need for a parliament that will provide laws according to which we will defend our foreign policy interests.

More Balanced Sanctions on Libya Demanded

LD1211184193 Moscow INTERFAX in English 1605 GMT 12 Nov 93

[Text] Russia insisted on issuing a more balanced resolution on tougher sanctions against Libya by the UN Security Council on Thursday and on adopting its amendments, Russia's Foreign Ministry said a statement released in Moscow on Friday.

According to the statement, at Russia's insistence the resolution confirms the need for Libya to pay its debts, and strengthens provisions concerning the general tasks of the world community in combating terrorism. This secures Russia's interests in both political and economic terms. As for the financial and trade relations between Russia and Libya, such as the need to pay Libya's debt, these will be discussed in the framework of the present visit to Tripoli by Russia's Minister for External Economic Relations Oleg Davydov.

The Russian delegation backed the draft resolution submitted by Britain, the U.S.A. and France, since Moscow fully supports the Security Council's resolve to eradicate international terrorism reflected in it, Russia's Ambassador to the UN Yuliy Vorontsov told the Security Council on Thursday.

He confirmed that Security Council Resolutions No's 731 and 748 on bringing to justice those who installed explosive devices on board the Pan American plane Flight 103 and the UTA plane Flight 772, must be implemented. The suspects must stand trial, and the lever of sanctions must be in force until this happens, the Russian ambassador stressed.

As for the nature of the sanctions, Vorontsov said, Russia attaches particular importance to the provision which points out that in the present document nothing infringes upon Libya's duty to strictly observe its commitments connected with the servicing and payment of its foreign debts.

The diplomat said he hopes that Tripoli will take the adopted resolution seriously, make the appropriate conclusions and take steps to meet the justified demands of the UN Security Council in the near future, before December 1st. This will make it possible to suspend the sanctions and subsequently consider the issue of lifting them altogether, he said.

Paper Views UN Sanctions

MK1311143093 Moscow SEGODNYA in Russian No. 78, 13 Nov 93 (Signed to press 12 Nov) p 1

[Vladimir Abarinov report: "Pocket Veto"]

[Text] On 11 November, the UN Security Council adopted a resolution on tightening international economic sanctions against Libya by 11 "yes" votes. The sanctions were imposed because Tripoli continues to provide sanctuary to persons accused of being responsible for two air crashes. Four Security Council members—China, Morocco, Pakistan, and Djibouti—abstained. Russia's representative voted for the resolution. Thus, Moscow's threat to veto the draft, which was seen as infringing on Russian interests, did not materialize.

During the past three weeks, the Russian side was engaged in desperate bargaining with its Western partners. Being Libya's large creditor, it insisted on its right to recover its debts. New sanctions, which would block Libyan deposits in foreign banks, deprived Russia of this opportunity. Finally, Moscow proposed an elegant solution: If the Western powers are so intent on the introduction of sanctions, let them give Russia compensation—an interest-free loan that Russia will repay as soon as it recovers money from Libya (what is at stake is $4 billion, but as we have already reported, this sum does not square with last year's assessment by the Foreign Ministry). Washington, Paris, and London did not find this option too enticing. On Monday, it transpired that the voting was postponed at the insistence of the Russian representative. God knows how Russia was going to use the deferral. At any rate, Oleg Davydov, foreign economic relations minister, set out for Tripoli directly from Vienna, where he was accompanying Prime Minister Viktor Chernomyrdin. Presumably, he tried to persuade the Libyans to repay the debt in exchange for a Russian veto. But in Tripoli they must have thought that it would be safer not to pay, for nothing would prevent Moscow from dropping its objections against new sanctions as soon as the money was repaid.

On Wednesday, it was reported that Russian representatives had made two amendments to the draft resolution: on stepping up the fight against international terrorism (did it really have to be wrestled from the perfidious Western diplomats as well?) and on Russia's right to demand the repayment of debts from Libya. This event was hailed by the Foreign Ministry as a big success for Russian diplomacy. It is doubtful, however, that the Libyans were eager to repay debts to a country that supported the tightening of sanctions. It will be recalled that even under previous sanctions Andrey Kozyrev was fairly skeptical about the repayment of Libyan and Iraqi debts. At that time, however, it was important for Moscow to emphasize its solidarity with the Western powers. Now it has been taking pains to show its independence and concern for national interests. Did Moscow seriously expect to "make a fast buck," as Captain Sharapov from a popular serial, used to say? Whatever may be the case, we have to acknowledge that the elephant labored and produced a mouse.

Effectiveness of Sanctions Viewed

LD1411223793 Moscow Radio Moscow in Arabic 1600 GMT 14 Nov 93

[Text] We present to you a talk by Vladimir Rybakov, the well-known specialist in political affairs at the Russian Academy of Sciences, Economics, and International

Relations Institute. In this first part, the talk deals with the prospects of settling the Libyan crisis.

The specialist says that the issue, which has been pending for over 18 months regarding international sanctions against the Jamahiriyah because of the suspicion of the two Libyans masterminding the terrorist act over Scotland, has been (?prolonged) after the UN Security Council's resolution to tighten these sanctions. Regarding this issue, Rybakov questions the effectiveness of this resolution and its possible impact on the current course of Libyan's government under the leadership of Colonel Mu'ammar al-Qadhdhafi.

The specialist believes that regarding their effectiveness, the economic sanctions imposed against the Jamahiriyah have a limited nature. Also the tightening of the sanctions will not, by any means, be applied to oil and natural gas exports from Libya to the Arab markets. In fact, the international community has previously imposed restrictions on arms and airplanes exports to Libya, and it has also recently imposed new restrictions on oil industry equipment exports to Libya. However, Tripoli will continue exporting oil in exchange for hard currency with which it could buy whatever it needs, including weapons and military equipment, although the prices might be a little higher.

In fact, we could look at the Libyan issue from another angle. Six months ago, Rybakov talked about this with one of his Libyan colleagues who stressed to the Russian specialist that the United States is, in principle, interested in the survival of al-Qadhdhafi's regime for two reasons; first, Washington could perpetuate the image of the enemy in the person of the Libyan leader, and second, the American side would never accept the possibility of toppling al-Qadhdhafi's regime and replacing him with a person more hostile from the point of view of the White House—somebody who, God forbid, might be one of the Islamic fundamentalists. Rybakov believes that this view is completely logical despite its outward strangeness.

There is another point concerning the renewal of sanctions. The Russian specialist has visited the Tunisian-Libyan and the Libyan-Egyptian borders and was closely convinced that there were no difficulties or problems in the supply of foodstuffs to the Jamahiriyah. He also had the opportunity to compare the situation of the Libyan consumer markets at the end of the 1980s and at present, although this experiment was restricted to the capital, Tripoli. It seemed to him that there was no substantial difference between the previous and current situation. What attracts attention, in his view, was that the flow of alcohol smuggled from Egypt and Tunisia to the Jamahiriyah had increased considerably.

Regarding the renewal of international sanctions on Tripoli, an important question is raised here—to what extent do these sanctions agree with the interests of the West on one hand, and with the interests of Russia on the other? Vladimir Rybakov talks about this issue in the second part of the talk which we will relay tomorrow at this time.

Official Brings Up Debt in Libyan Talks

LD1311220193 Moscow ITAR-TASS in English 2141 GMT 13 Nov 93

[By ITAR-TASS correspondent Aleksandr Yelistratov]

[Text] Cairo November 13 TASS—The Russian-Libyan Committee for Economic Cooperation resumed work in Tripoli on Saturday.

Libya wants to build lasting relations with Russia, Libyan foreign minister who heads the Libyan delegation to the talks said opening the session. He expressed the hope that Russia will play a considerable role in the protection of small nations and countries from hegemony and violence.

He believes that economic cooperation and mutual investments could provide a firm basis for mutually beneficial bilateral relations between the two countries.

Head of Russian delegation Oleg Davydov, minister of foreign economic relations, said that Russia is interested in the "development of friendly relations and expansion of cooperation with Libya in all spheres."

Before the session, the heads of the delegations met in private. One of the questions which is expected to be discussed during the session is Libya's debt to Russia.

Before arrival in Tripoli, Davydov visited Tunis where he signed three agreements on economic cooperation between Russia and Tunisia.

Intention To 'Apologize' Denied

PM1211191393 Moscow IZVESTIYA in Russian 13 Nov 93 First Edition p 3

[Gennadiy Charodeyev report: "Moscow Will Not Apologize to Al-Qadhdhafi and Is Demanding the Money Back"]

[Text] Oleg Davydov, Russian minister of foreign economic relations, has flown to Tripoli. A rumor immediately spread around Moscow that our boys had gone to apologize to Colonel Al-Qadhdhafi for the fact that Russia's representative on the UN Security Council voted for the decision to impose additional sanctions against Libya because of its latest refusal to surrender to justice the two terrorists who organized the blowing up of a U.S. passenger aircraft in 1988.

The Russian delegation, as the Foreign Ministry has confirmed to IZVESTIYA, supported the draft resolution which was submitted by Britain, the United States, and France and was adopted, since it entirely shares the Security Council's determination, confirmed in it, to eradicate international terrorism. As Yuliy Vorontsov,

Russia's representative at the United Nations, declared, the struggle against international terrorism and violence has become for our country "the key aim stemming not only from moral principles in the policy of the new Russia but also, unfortunately, from today's realities...."

The points about the world community's common tasks in combating terrorism were added to the draft resolution at the Russian delegation's insistence.

The document confirms the need for Libya to repay its debts. The Security Council reaffirmed this: "Nothing in the resolution affects Libya's obligation to comply strictly with all its obligations concerning the servicing and repayment of its foreign debt." This point was also included in the document at the Russian delegation's insistence. Libya owes Russia $4 billion. During the discussion of the draft resolution, our diplomats therefore insisted that the Security Council should not block the opportunities for Libya to repay its debts to Russia.

Replying to a question from IZVESTIYA, a high-ranking spokesman for the Ministry of Foreign Economic Relations categorically denied rumors that Minister Davydov has gone to Libya to apologize to Al-Qadhdhafi. The repayment of Libya's debts to Russia will be the primary question raised at the talks in Tripoli. "The need for such a visit has long been spoken of. The economic crisis in the country is deepening, and it would not be a bad thing to get our $4 billion back," the Ministry of Foreign Economic Relations stated.

Oleg Davydov, in Tripoli, has said: Moscow fully supports the world community's demands and believes that the Libyans must fulfill all UN resolutions without any further delay.

Syrian, Iranian Missile Developments Reviewed

PM1511104393 Moscow IZVESTIYA in Russian 13 Nov 93 First Edition p 3

[Elmar Guseynov report: "'Scuds' Known and Loved in the Gulf"]

[Text] Like any other major international economic show, the Dubayy Air Show produces numerous sensations, which usually derive from anonymous sources. Such are the rumors about Iranian and Syrian secret missile programs.

In the opinion of informed sources quoted by news agencies, Iran started developing [razrabotka] its missile program back during the Iran-Iraq War.

Now a whole number of Iranian companies, both state-run and private, are actively buying up high-tech equipment and special technologies. As a rule, these are so-called dual-use technologies, which can be used to produce missiles. According to figures from German sources, Iran spent $1.8 billion on such purchases in 1991 alone. It has already spent around $2.5 billion this year.

With neither the time nor the resources to develop [sozdaniye] its own ballistic missiles, Iran is resorting extensively to international cooperation. Thus, in exchange for Western equipment and technologies inaccessible to North Korea, the Iranians have managed to gain access to Korean developments in modernizing the Soviet "Scud"—dubbed the "Nodong-1" in Korea. Moreover, the Iranians have eight Chinese missile launchers at the entrance to the Strait of Hormuz. These too could be used to develop their own ballistic missiles.

Military men from the Near East were greatly impressed by the effectiveness of the U.S. Tomahawks during the Gulf War. It was then that Syria actively set about developing [sozdaniye] its own missiles. The Syrians also have Soviet antiship missile systems, which Damascus is trying to develop into its own ballistic delivery systems in conjunction with Iran.

Iran's main strategic opponent in the region—Saudi Arabia—already has its own medium-range missiles. These 24 missiles acquired from China are also "related" to the Soviet "Scuds." They have a range of 1,700 km.

A Russian theme continues to run through the reports from Dubayy. The show's participants and visitors are excited about the quality of the Russian combat hardware brought to the show and by the virtuoso skills of the pilots, who have once again impressed everyone with the "cobra" and other complex maneuvers in their supersonic aircraft. The practical results of the Dubayy show include the departure for Iran of one of our exhibits—the Mi-26TM helicopter (the biggest in the world). Iranian specialists want to see it with a view to buying it for that country's air force.

Churkin Urges Overcoming Deadlock in FRY

Cited on Easing Sanctions

PM1211165793 Moscow IZVESTIYA in Russian 13 Nov 93 First Edition p 1

[Report by RIA NOVOSTI own correspondents Andrey Baturin and Sergey Gryzunov: "Moscow Proposes Lifting Sanctions Against Belgrade and Is Ready To Supply Gas to Yugoslavia"]

[Text] Belgrade—"It is time to end the conflict in Bosnia, it is time to lift the sanctions against Yugoslavia. This will make it possible to normalize the situation in the Balkans in general, since not only Yugoslavia but also neighboring states are suffering as a result of the sanctions," Vitaliy Churkin, the Russian president's special representative at the talks on the former Yugoslavia, told RIA correspondents.

According to V. Churkin, the time has come for an international "brainstorm," which would be capable of overcoming the deadlock at the talks among the sides involved in the conflict. "They are all now thoroughly tired of what is happening," the diplomat said. His trip to Belgrade, Sarajevo, Zagreb, Rome, and Athens is, in

all probability, to be a part of such a "storm," and the diplomatic banners, according to Churkin, bear the inscription: "Collective action."

Russia's representative regards the recent proposal by Germany and France as a possible key to the successful resolution of the Bosnian problem: the partial lifting of international sanctions against Belgrade in exchange for territorial concessions by the Bosnian Serbs. Such a formula has also been advanced in the past by Moscow. But not everybody agrees with it, Churkin said.

"What is your attitude to the statement by the government of Serbian Krajina about resuming the dialogue with the Croats? Is this part of the 'Churkin plan'—maximum autonomy for the Serbs inside Croatia?"

"I do not claim authorship. But such a development of events fully conforms with our ideas about a settlement in that region."

"How is the situation developing with regard to humanitarian deliveries of Russian gas, the question of which got 'bogged down' in the UN Sanctions Committee?"

"We are ready to supply natural gas to the former Yugoslavia by way of humanitarian aid. But we would like to know where it will go—to Sarajevo or Belgrade. Deliveries will be free, although Moscow would not object to compensation for it in the future."

The deputy minister believes that Russia's position on the Yugoslav crisis remains unchanged: It is aimed at a peaceful settlement in the interests of all the warring sides.

Meets With Serb Leader Karadzic

LD1211204893 Moscow ITAR-TASS in English 2034 GMT 12 Nov 93

[By ITAR-TASS correspondent Aleksandr Kondrashov]

[Text] Belgrade November 12 TASS—"Russia plays an increasingly important role on the international political scene. This is why we attentively view its positions and welcome its efforts in support of a peaceful settlement of the Bosnian conflict," President Radovan Karadzic of the Serbian republic in Bosnia, said on Friday after talks with Vitaliy Churkin, special envoy of the president of Russia and deputy foreign minister.

The Russian diplomat, within the framework of his new mediatory mission in the zone of the Yugoslav conflict, on Friday arrived in Pale, a suburb of Sarajevo, where he met with the leadership of the Serbian community of Bosnia.

Ways towards the establishment of peace in Bosnia and matters connected with the delivery of humanitarian aid to the population of the republic were considered during the meeting.

In response to journalists' questions, Churkin said Russia is highly interested in the cessation of the war in Bosnia, the war which "the whole world has got tired of". At the same time he said he could not give an exhaustive conclusion about time and prospects for a peaceful solution to the conflict in Bosnia because of an utter complexity of the entire range of local problems.

The Russian diplomat positively assessed the Serbian side's proposals for the delivery of humanitarian aid through new overland corridors across the territory of Yugoslavia and the Serbian republic instead of the previous ones which were cut off as a result of Croatian-Moslem clashes in central Bosnia. Churkin said he would acquaint EC partners and other countries that are interested in the delivery of humanitarian aid with those proposals.

Churkin and Karadzic touched upon in detail on the new Franco-German initiative about a gradual lifting of sanctions against Yugoslavia in exchange for cession of some disputed territories to the Moslem community by the Bosnian Serbs.

The Bosnian Serb leader said the Serbs are prepared to consider again the question of territorial concessions to the Moslems and to hold talks on both the size and quality of the territories.

Churkin emphasised the constructive nature of the initiative which is of importance because it raises the question of lifting the sanctions against Yugoslavia. This is indicative of significant evolution in attitudes as regards the sanctions issue, he said.

Kozyrev, Finnish Official Preview CSCE Meeting

LD1211184993 Moscow ITAR-TASS in English 1525 GMT 12 Nov 93

[By ITAR-TASS diplomatic correspondent Georgiy Shmelev]

[Text] Moscow November 12 TASS—Russia's Minister of Foreign Affairs Andrey Kozyrev held talks with chairman of the CSCE Parliamentary Assembly Ilkka Suominen, who is also Finnish parliament chairman, in Moscow today, directly after the European leader had a meeting with Russian President Boris Yeltsin.

Kozyrev and Suominen continued the discussion of the domestic political situation in the Russian Federation before the elections to the Federal Assembly, Russia's new parliament.

"Russia is now doing everything necessary to make its general elections free and democratic," political adviser to the Russian foreign minister Galina Sidorova quoted Kozyrev as saying to the European official.

The Russian minister of foreign affairs proposed that the leader of the CSCE Parliamentary Assembly send observers to the elections, particularly in the provinces, which have problems with building democratic institutions.

Sidorova reported that Kozyrev and Suominen scrutinised prospects for the Conference for Security and Cooperation in Europe and the forthcoming meeting of the CSCE Council of Ministers of Foreign Affairs in Rome.

According to Sidorova, Russia has already sent its proposals for the agenda, aiming to synchronize processes in Europe as a whole and those within the Conference for Security and Cooperation in Europe, which according to the Russian minister of foreign affairs, are now moving as if at different speeds. The rate of changes on the European continent are rushing ahead of the processes and effectiveness of the Conference for Security and Cooperation in Europe.

This is why Russia would like the upcoming meeting of the Council of Ministers of Foreign Affairs to concentrate on upgrading the effectiveness and synchronization of the CSCE processes with the changes on the continent.

Russia proposed, among other things, for the meeting in Rome to adopt a declaration on aggressive nationalism, Sidorova said. Kozyrev and Suominen also discussed the situation in the Baltics, including that of the Russian-speaking population in three Baltic states. According to the Russian minister of foreign affairs, "certain positive shifts" are becoming visible in this respect. The Russian minister stressed the positive role played by CSCE high commissioner Van Der Stoel in handling these problems and solving them.

CSCE To Send Election Observers

LD1211222193 Moscow ITAR-TASS in English 1534 GMT 12 Nov 93

[By ITAR-TASS diplomatic correspondent Aleksandr Krylovich]

[Text] Moscow November 12 TASS—Finnish parliamentary speaker and chairman of the CSCE parliamentary assembly Ilkka Suominen addressed a news conference in Moscow today, saying that the upcoming elections to the Federal Assembly are an important event in Russia's political life. He pointed out that the elections are of great importance for the entire world community, including Europe.

In his opinion, international organisations which will send their observers to Russia to monitor the elections have good businesslike contacts with the Central Electoral Commission.

Suominen pointed out active preparations for the voting, saying that the CSCE parliamentary assembly would send 30-35 observers to Moscow, St. Petersburg and other cities.

The total number of representatives of international organisations to monitor parliamentary elections in Russia is expected to reach 500.

Commentary Rebuts POST on U.S.-Russia Ties

LD1311151893 Moscow Radio Moscow World Service in English 1210 GMT 13 Nov 93

[Commentary by Valentin Zorin—read by announcer]

[Text] Harvard University Professor Robert Blackwill said in an article in THE WASHINGTON POST that the era of a good relationship between the United States and Russia is over and that the future is dark and uncertain, and in any case promises nothing favorable.

Probably this article would not deserve much attention but for one circumstance: It contains ideas that have become more or less spread in U.S. political circles. They are clearly designed to mislead the public.

In reality Professor Blackwill's lengthy article contains two or three very simple ideas. One is that the period of partnership between the two countries was a result of Russia's weakness and the need to follow Washington's political course. Secondly, Professor Blackwill says that in the wake of the suppression of armed resistance by the disbanded parliament in early October—last month—this has greatly increased the influence of the military in Russian politics. And thirdly, the U.S. scholar says that the military, once they have gained strength, will be reluctant to follow the American political course and insist on a hard line in relations with the United States. Hence the conclusion that can no longer count on relations of partnership with Russia, and for this reason the favorable period of relations is in the past [sentence as heard].

Valentin Zorin goes on to say, I will take the responsibility to say that none of these statements are true.

Firstly, Russian-U.S. partnership in world politics was not a result of Russia's weakness. Professor Blackwill is certainly aware that when there was a change for the better, Russian-U.S. relations, and today Russia's nuclear potential remained unchanged. [sentence as heard] So it's at least not serious to say that weakness made Moscow bow to Washington. Speculation to the effect that President Boris Yeltsin has proved a hostage of the military is not confirmed by any facts and is a product of either unjustified rumors or of the desire to make things look not what they are.

However, the worst thing is that Professor Blackwill and those who see eye to eye with him do not take the trouble of analyzing reasons for the fundamental changes that bilateral relations have taken place in the past few years. It is not somebody's weakness or neglect of one's national interests, but on the contrary a sober and realistic analysis of those interests that have replaced years of dangerous confrontation with a policy of cooperation and partnership.

True, no relations of partnership between countries can rule out certain contradictions and controversies or different assessments of current events. This is only normal and there's no reason for over-dramatizing such

differences. Apparently this is precisely how the White House sees the current situation. The same applies to the position of the Kremlin leaders. One can only hope that attempts to cast a shadow over relations between Moscow and Washington won't mislead the American public.

Envoy to Nagorno-Karabakh Talks Interviewed

LD1211190793 Moscow INTERFAX in English 1605 GMT 12 Nov 93

[By diplomatic correspondents Dmitriy Vosboynikov, Igor Porshnev, Vitaliy Trubetskoy and others; from the "Diplomatic Panorama" feature]

[Text] Even though the agreement on a cease-fire in the Karabakh conflict was disrupted in late October, Russia refuses to lose hope for a peaceful settlement in the area, and will redouble its diplomatic efforts in this direction. This statement was made in an interview with Interfax by the special envoy of the Russian president, Vladimir Kazimirov, the head of Russia's peace-making mission, before his departure for Baku, Yerevan and Stepanakert.

According to him, he hopes to meet with the leadership of Armenia, Azerbaijan and Nagorno-Karabakh. "Our task is to induce the warring sides to realize that a dependable end to military actions is the key to resolving all the problems generated by the conflict," the diplomat said.

It is impossible to hope that the refugees will return, that the territories seized as a result of fighting will be freed, that the economic, transport and energy blockade will be lifted, till an end is put to the bloodshed, he pointed out.

With reference to the recognition of Nagorno-Karabakh as a party to the conflict, the diplomat said: "The only way to settle the conflict is to realistically assess who concretely is a participant in the confrontation." "As long as a genuine understanding of the state of affairs is cloaked by propagandistic schemes, we will be doing a disservice to the efforts to reach a settlement," he said.

Chernomyrdin Visit to Lithuania Rescheduled

LD1211191593 Moscow INTERFAX in English 1743 GMT 12 Nov 93

[Text] Russian Prime Minister Viktor Chernomyrdin's visit to Lithuania has now been rescheduled for November 18-19, a government spokesman told Interfax.

Chernomyrdin who was due to arrive in Vilnius on November 16 is expected to sign a package of bilateral agreements. These include trade and economic links, transport, transit of Russian troops deployed in Germany via Lithuania territory and cooperation between Russian and Lithuanian police.

Yenikeyev Views Kiev's Nuclear Weapons Policy

LD1311095493 Moscow Radio Moscow World Service in English 1910 GMT 12 Nov 93

[Text] The U.S. State Department has expressed its concern over the lack of the desire on the part of Ukraine to fulfill the promise it gave a year and a half ago to abolish its nuclear weapons. According to the statements made in Washington, this stand of Kiev poses one of the most complicated problems for American diplomacy. Now a commentary by our observer Viktor Yenikeyev.

[Begin Yenikeyev recording] Such was the response of President Clinton's administration to the decision made by the parliament of Ukraine to put the START I Treaty ratification out of the agenda for the nearest months to go [as heard].

It was the United States Secretary of State Warren Christopher, visiting Ukraine among other nuclear republics of the former Soviet Union at the end of October, who had been particularly displeased with the news. And truly he was, since he had returned in a good mood, reporting to his bosses that the Ukrainian lawmakers would endorse the treaty by the end of the year. And one should say that the highly experienced American diplomat had every ground to arrive at such a conclusion. Ukraine's president, Leonid Kravchuk, and the parliament's leader, Ivan Plyushch, had both assured of that the guest from overseas.

They say in Kiev today that Ukraine does not dispose [as heard] of adequate means to dismantle nuclear weapons. Both the $175 million the United States had earmarked for that goal and the extra 177 million that Warren Christopher had promised did not suffice. Even an extra sum of $400 million, which Washington had agreed to allocate later on to mark the successful completion of the whole process of nuclear disarmament, would not tempt Ukraine's leadership to do that.

According to the REUTERS, Kravchuk and the other members of the Ukrainian leadership now demand that nearly $3 billion should be paid. On previous occasions 5 billion were mentioned. The [AGENCE] FRANCE PRESSE recalls that in addition to that Kiev persistently calls for solid guarantees of its security to be pledged by the West, and first of all by the United States through an accession to NATO inclusive [as heard].

Analyzing the Ukrainian stand over this particular issue, one can inevitably draw a conclusion that it does not fall within the frames of logic and commonsense. It is inconsistent and controversial. There is much talk going on in Moscow as well, let alone in Washington, on Ukraine's desire to become a nonnuclear state. Boris Yeltsin's government was also prepared to pledge all thinkable and nonthinkable guarantees of its security, any expert or technical aid. However, every time it was made it did not suffice.

Assuring the whole world of its nonnuclear intentions, Kiev nonetheless says that it needs nuclear weapons to

protect the national security. Let us omit the question the security from whom, although it is more often implied than not that [as heard] from Russia first of all.

The international experts hold to one and the same view: The longer Kiev conserves nuclear stockpiles, the greater jeopardy it puts itself to. This is an unescapable consequence for Ukraine since it does not possess technical, financial, and other means to properly service the nuclear weapons at its disposal, which is not contrary to the views expressed by some of her responsible public figures.

However, it is not Ukraine alone which is at stake. The future of the START I Treaty and the whole regime of nuclear nonproliferation is questioned. So, does Ukraine wish to become a nonnuclear state? The number of those who doubt it is constantly increasing, the more so after the parliament reached the decision in Kiev [illegible] recording]

Border Troops Commander on Functions in CIS

MK1011132093 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 46, 14 Nov 93 (Signed to press 9 Nov) p C7

[Interview with Colonel General Andrey Nikolayev, commander of border troops and Russian deputy security minister, by Inna Korobova: "Status Quo With Borders 'That Are Not Ours'"]

[Text] Saying goodbye to the USSR, Russia adopted in December 1992 a concept on the state border that coincides with the old administrative dividing lines between the republics of the former USSR.

More than six months after the event, the concept does not work. Russian border guards continue to guard many borders that are not "ours." Why is it that not only Russia but also CIS states insist on the continued status quo? This is the subject of an interview with Colonel General Andrey Nikolayev, commander of the border troops and Russian Federation deputy security minister.

[Nikolayev] The concept adopted in December of 1992 finalized the principle: Russian interests extend only as far as the new borders. This concept introduced at least two negative elements. First, a newly created border would require outlays that would not only devastate Russia but strip it naked. Second, the state's strategic interests would be harmed.

If, for example, Kazakhstan decides to protect its borders using border troops provided and financed by Kazakhstan and Russia, this would amount to the recognition by Kazakhstan of our strategic interests in this region. As a result, Russia, which is the successor to the USSR, shall guarantee that Kazakhstan's borders are intact. Otherwise the republic would have to sign new agreements with the contiguous states defining border regulations. It is easy to predict that this situation would set off a whole series of explosive border issues. The presence of Russian border guards in Kazakhstan, if this happens, would become a factor ruling out territorial claims on the part of China, for example.

[Korobova] There is no guarantee that Central Asia states will recognize Russia's interests today, and show it the door tomorrow and keep the border infrastructure. Are we not wasting money?

[Nikolayev] During the first nine months in 1993, 120 billion rubles was paid out of the Russian budget for the upkeep of the border troops. CIS member states are supposed to pay the expenses of Russian border troops deployed on their territories on an equal footing with Russia. Besides, there are instances where we provide funds toward equipping a border not guarded by Russian servicemen. One example is Belarus. It is in our interests that the Baltic borders be securely protected in the absence of customs barriers between Russia and Belarus.

[Korobova] Do Commonwealth members pay 50 percent of the expenditure?

[Nikolayev] Understandings are being signed for 1993-1994. They provide part of the finances for the time being.

[Korobova] Ukraine has signed an economic alliance with Russia, and Azerbaijan has joined the CIS. Will this entail a change in border regulations?

[Nikolayev] If alliance implies a single economic and customs area it also obviously implies the creation of a single border system. Our troops were withdrawn from Azerbaijan in late 1992. They still remain in Georgia, and Eduard Shevardnadze has confirmed an interest in keeping them there. Ukraine has pursued an isolationist line of late. The first customs posts appeared on the Ukrainian side and they are double the number of Russian ones. Following Ukraine's joining the CIS economic alliance as an associate member, one can hope that we are going to have the same commitments on many issues with that state. I hope for a "transparent" border between Russia and Ukraine. Such steps will apparently be taken on the part of Georgia and Azerbaijan.

[Korobova] Is the guarding of the border going to become as ordinary a notion as a defense doctrine? Which line do you follow in Georgia?

[Nikolayev] Is Georgia waging war on Turkey? We are guarding Georgia's borders without meddling in the state's internal problems. Security of the border guards and their families is another matter. As for the doctrines, border troops have been performing the function of protecting the borders, not any defense functions. Tajikistan constitutes an exception.

'Imperial Ambitions' in Peacemaking Denied

LD1011142493 Moscow ITAR-TASS in English 1108 GMT 10 Nov 93

[By ITAR-TASS diplomatic correspondent Vladimir Suprun]

[Text] Moscow November 10 TASS—A Russian deputy foreign minister rejected accusations that Russia is pursuing imperial ambitions by means of its peace-keeping efforts in former Soviet republics and added that Russian experience in the sphere should be used by the United Nations.

Russian peace-keeping experience "can and should be used by the United Nations for expanding the already existing schemes accumulated in the framework of this prestigious international organisation," Sergey Lavrov told on Wednesday a three-day international conference which discussed peace-keeping operations in the former USSR.

Lavrov, who analysed Russian peace-keeping efforts in the Dniester region of Moldova, in Tajikistan and Abkhazia, denied "certain suspicions" about neoimperial ambitions" pursued by Russia through its peace-keeping operations in the CIS.

"Russia in its desire to restore and ensure peace is not acting alone, but in a close interaction with all the interested parties both on the regional and international levels," he said.

Besides Russian representatives, the conference is attended by envoys of the United Nations, the CSCE, the North Atlantic assembly.

Grachev Lists Aims of Ties With PRC

LD1211211693 Moscow Mayak Radio Network in Russian 1930 GMT 12 Nov 93

[Text] Russian Defense Minister Pavel Grachev has ended his visit to China. Our correspondent interviewed the minister at the airport in Moscow. In the interview, Grachev gave his impressions about the visit.

[Begin Grachev recording] All the members of our delegation and the Chinese side think it was highly successful. All the questions we raised have been solved completely. We have signed good agreements. We have signed a protocol—although not an official document—of the meeting between the two defense ministers. But the foundations for our future relations were laid there. There is every reason to believe that our relations in the future will develop. We all unanimously put forward three aims for mutual interaction and cooperation between us. First, independent of the internal political situation of our country and independent of ideology and other issues, relations between China and Russia should be on a stable basis and neighborly. Second, the border, which extends for over 3,000 km, simply compels us to have the closest contacts, and we agreed that this border should be a border of peace, accord, and friendship. The third issue is not just to stop at what has been achieved but to develop and go on developing all our relations, not just in the military sphere but in other areas.

I gave the leadership of China a detailed account of the doctrine that has been adopted. They already provisionally knew the foundations of this doctrine. They had no doubts about it and did not ask any questions. This means that the Chinese side views our military doctrine in totally realistic terms and correctly understands it. [end recording]

Joint U.S.-ROK Military Exercises Examined

SK1511080193 Moscow Radio Moscow in Korean 1000 GMT 14 Nov 93

[From the "Focus on Asia" program]

[Text] The following is an article by station commentator Igor Lebedev in connection with the Foal Eagle-93 joint military exercise which the United States and South Korea are planning to conduct. In the article he writes:

The United States and South Korea have announced that they will conduct the Foal Eagle-93 joint military exercise from 15 to 25 November. If the military exercise of this nature were conducted at a different time, it would not draw so much attention of the public circles as it does now.

The observers today note the protest lodged by the Pyongyang side, which regards the U.S.-South Korean joint military exercise as a military exercise aimed at waging an aggression against the northern half of the Republic. There is reason for the Pyongyang side's protest. It is obvious that the joint military exercise, which is conducted at present when the situation on the Korean peninsula is extremely strained, will not bring any good result to the stability of the situation in this region.

Seoul explains that the purpose of the joint military exercise is to complete the operational system for defending the rear area and to complete the commanding and communications system so as to be able to conduct nocturnal military operations. In other words, Seoul is testing its own defense for the so-called southward invasion. Is there any reason for such an assertion of Seoul? Seoul claims that there is.

Some sources of information are spreading the report that 70 percent of the North Korean armed forces are deployed near the Military Demarcation Line between the North and the South on the Korean peninsula. Also, the North Korean refusal to allow the International Atomic Energy Agency [IAEA] to inspect the nuclear sites, which the IAEA claims to be is worrying Seoul, they say.

In the mutual relations, the North and the South of Korea are giving reasons for the other side to suspect, because the ambiguity of their nuclear programs are aggravating the mutual relations.

North Korea is stubbornly rejecting the resumption of the inspection of its nuclear sites by the IAEA. This issue remains unresolved.

The resolution of the nuclear issue on the Korean peninsula will be a key to total elimination of tensions on the Korean peninsula.

Pyongyang is reported to have officially announced its intentions recently to resolve the nuclear issue only through dialogue and by peaceful means. According to the remarks made by the official figures, Washington and Seoul have expressed similar views.

Without a doubt, the complete disappearance of tensions in this region in the Far East will satisfy the neighboring countries, including Russia.

Accord With Japan on Arms Elimination Agreed

LD1211170093 Moscow ITAR-TASS in English 1150 GMT 12 Nov 93

[By ITAR-TASS correspondent Vladimir Suprun]

[Text] Moscow November 12 TASS—Russia and Japan are to cooperate in the elimination of Russian nuclear arms subject to reduction. Practical measures toward this are discussed by a constituent meeting of the board of the Russo-Japanese committee on cooperation in this area.

The meeting is held in the framework of the agreement between the governments of Russia and Japan on cooperation to assist the destruction of nuclear arms in Russia earmarked for reduction. It was signed during Boris Yeltsin's visit to Tokyo in October.

The meeting lays down the legal foundations for bilateral cooperation in the area that until recently was fully closed, Oleg Sokolov, director of the Russian Foreign Ministry's department on disarmament and military technologies, told the meeting. Its very holding shows that confidence between Russia and Japan enhanced. "It is only by joint efforts that disarmament can be promoted. This is in the interests of the peoples of the two countries", he said.

The sides are represented on the board by Deputy Russian Minister of Atomic Energy Nikolay Yegorov and Japan's Ambassador to Russia Sumio Edamura.

Political Issues

Paper Warned of Attempt on Yeltsin's Life

LD1411183193 Moscow Russian Television Network in Russian 1700 GMT 14 Nov 93

[From the "Vesti" newscast]

[Text] It has been a quiet day today. Even the president allowed himself a rest at the finals of the tennis tournament before the next working week starts, a week that promises a lot of events, even an attempt on the life of the president, according to a claim in the Tula newspaper MOLODOY KOMMUNAR [Young Communard]. A man who did not give his name warned the editorial office over the phone about an attempt on the president's life that is to be made at the Shtamp plant in Tula which Yeltsin intends to visit on 16-17 November.

Yeltsin Interviewed on Failed Coup Attempt

LD1311115893 Hamburg ARD Television Network in German 2015 GMT 12 Nov 93

[Interview with President Boris Yeltsin by correspondent Eldar Ryazanov; places and dates not given; interview made on more than one day and in more than once place, and interspersed with background videos and scene setting; Yeltsin speaks in Russian with superimposed German translation —recorded]

[Excerpts] [Video shows background of failed coup in October; unidentified voiceover wonders where the Army was during the storming of the Ostankino television center.]

[Ryazanov] Mr. President, when the mayoral office was stormed, when the Ostankino television center was stormed by the putschists, we had the impression that Moscow was totally defenseless.

[Yeltsin] No, that is not true.

[Ryazanov] I am telling you the impression which not only I had, but many of my friends, [illegible]itizens of Moscow.

[Yeltsin] No, that is not true. I know what it was like in reality and I will tell you how it was in reality.

[Ryazanov] Please do, I'd like to have the information at first hand.

[Yeltsin] The Defense Ministry, Interior Ministry, and Security Ministry all had to defend a certain number of installations. I called everyone together to the Defense Ministry and we decided which installations would be defended by whom. Which installations would be defended by the Defense Ministry, which by the Interior Ministry; as for the Security Ministry, it was supposed to defend itself.

[Ryazanov] But no one planned an attack on the Security Ministry.

[Yeltsin] I do not know whether an attack was planned or not, they were scared. Is that not incredible? A security ministry which is only concerned with its own security? Is that possible? That is what happened. The military came a little late. After all, it is not stationed in Moscow. It had to come to Moscow from a long way away.

[Ryazanov] Mr. President, I am a civilian but I cannot imagine it taking over half an hour?

[Yeltsin] To move to Moscow from a long way away is impossible, absolutely impossible. Moving troops with combat tanks, with armored personnel carriers to Moscow on roads with busy traffic, where there are numerous civilian vehicles, in half an hour is absolutely out of the question, absolutely out of the question. So the military came too late. Please do not try and squeeze anything more out of me than I know or than I am able to say.

[Ryazanov] I do not want to squeeze out more than what you know, but it is my job to get you to say as much as possible.

[Yeltsin] I will say this much: The military came too late and the militia was already withdrawn from the installations which were to be defended by the military later, and as long as the military was not there yet, the installations were unarmed; we had to send the militia back to defend those installations. We sent the militia back to the mayoral office, we sent the militia back to the Ostankino television center, which was besieged by the putschists; we sent them back, and the militia saved the situation there.

[Ryazanov] But before that the mayoral office was occupied by the putschists.

[Yeltsin] Part of it was, but we sent the militia back and they retook that section and drove out the putschists.

[Ryazanov] But the mayoral office should never have been left to the putschists. I cannot imagine how the militia could have given up the mayoral office.

[Yeltsin] Do not get me wrong, after all we do not have a war every week, let alone a civil war, a war in which one section of the population fights another section of the population. A war of that nature is something quite out of the ordinary for us. In any case, cooperation between various branches of the forces and troop units was not perfect either. I mean between the troops of the Defense Ministry and the Interior Ministry.

[Ryazanov] Mr. President, should some kind of conclusions be drawn for the future from these events?

[Yeltsin] Of course. We gathered for a meeting at the Defense Ministry. I was present, and we assessed the events of the coup and drew the appropriate conclusions. We decided which mistakes must never be committed again and where we arrived too late. We got there too late in some cases. Regardless of whether it was the Defense Ministry or the Interior Ministry. We came too

late at times. For example, the military arrived too late at the Ostankino television center and we were forced to send back the militia which had been withdrawn from there in order to drive out the putschists. The Defense Ministry was then forced to send the troops, which were supposed to liberate the television center, to the White House.

[Ryazanov] Was that delay the result of slackness or evil intentions?

[Yeltsin] You know, it was a psychological problem.

[Ryazanov] A psychological problem for whom?

[Yeltsin] A psychological problem for the leadership of the Defense Ministry.

[Ryazanov] All right, I do not want to torture you with these questions any longer. I feel like a torturer already, but allow me to ask the following question: Were you afraid? Were there moments when you doubted whether everything might not collapse after all? Were you afraid of death, incidentally?

[Yeltsin] No, not afraid of death at all.

[Ryazanov] Why?

[Yeltsin] Perhaps I was brought up like that. I have experienced so many different situations in my life, that it simply did not occur to me to think of death, never mind be afraid of death. I never think of death. I simply never think of it.

[Ryazanov] Fair enough, one does not have to fear death, but it is possible to think of it now and again.

[Yeltsin] Not for me. You know, I still had very slight doubts as to whether the Defense Ministry would, however, keep to its word or not, whether it would obey the order given by me, its senior commander, or not. I was a little afraid, perhaps.

[Ryazanov] And what would have happened if it had not continued to obey? And at that point in time your confidants had called the people to the barricades against the putschists, to protect Moscow?

[Yeltsin] No, no. That was much later. I had already decided during the night, after I had talked to representatives from the Defense Ministry. We sat in the Defense Ministry, and we did not think of that. At 0300 everything was already quite clear to me. You know, the defense minister should have decided himself. After all, that was his job, to react appropriately in such cases. But he did not do so. He always waited for my order. I think that is wrong. The defense minister must not wait for a command from the president in such cases. He must understand for himself what the issue is.

[Ryazanov] And what held him back?

[Yeltsin] He was afraid of the great responsibility, and perhaps he, too, had doubts. To some extent he could have been doubtful whether his senior military officers would obey him or not. He did not believe this.

[Ryazanov] So the situation was to some extent balanced on a knife-edge nonetheless?

[Yeltsin] No, no. I wou'J not say that. You know, the senior military officers turned out to be far more disciplined than we and the Defense Ministry had believed.

[Ryazanov] Mr. President, was it clear to you what would have happened to you personally and to your family, if the putschists had seized power on 3 October?

[Yeltsin] I have no doubt about it: If the putschists had seized power on 3 October they would have shot me and my family. The Supreme Soviet made a decision to that effect. They would have shot me—myself and my family—without trial. That is beyond all doubt, but for me it was not so much a question of my own fate and the fate of my family but of the fate of Russia. That was my greatest concern—what will happen with Russia? For the people would never accept the new putschists' regime.

[Ryazanov] Yes, but in that situation, if the putschists had seized power very quickly, then the people would have no time to react accordingly. The putschists would have introduced repressive measures against the people immediately, and the people would not have reacted.

[Yeltsin] No, our people have changed. The system was the old one, but the people have changed. The people would not have accepted the putschists' system.

[Ryazanov] Just as it did not submit to the putschists previously, in August 1991? And the people also supported you in April this year.

[Yeltsin] Yes, that is true. [passage omitted]

[Ryazanov] When and how did the president think of dissolving parliament? When and how did he sign the edict?

[Yeltsin] I wrote this edict with my own hand, with my own pen, but I told nobody anything about it and kept the edict in my safe for a whole month. Truly, nobody knew anything about it. It was top secret. The edict lay in my safe and waited for its time to come.

[Ryazanov] So you wrote it earlier?

[Yeltsin] Yes, much earlier, about one month before there was any talk of the September of struggle, which I announced.

[Ryazanov] And did nobody really know anything about it?

[Yeltsin] Nobody at all.

[Ryazanov] Mr. President, it strikes me as impossible, or almost impossible, to carry out such an operation entirely on one's own. Did you not consult anybody or rely on anybody's help?

[Yeltsin] No, what I mean is that I wrote just the text alone, I wrote the draft edict myself. However, when the time came to implement the edict, naturally I brought in the Ministry of Defense, the Ministry of Security, and the Ministry of Internal Affairs.

[Ryazanov] Mr. President, it actually happened in a muddle. The security minister [Viktor Barannikov] was dismissed, evidently for bribery, and it was a long time before you appointed a new one.

[Yeltsin] You see, the old security minister really was corrupt, and I did not appoint the new one [Nikolay Golushko], because I wanted to test him first. So I called them together, and I also brought in the premier [Viktor Chernomyrdin]. I discussed all the details with this group of statesmen—what should be done and how and when it should be done.

[Ryazanov] Did no information leak out about these deliberations?

[Yeltsin] The coup plotters may have suspected something, but there was no great leakage of information.

[Ryazanov] Mr. President, did you choose the timing of the dissolution of the Supreme Soviet out of cold-blooded calculation because you thought it would be too late otherwise, or were you indignant; for example, were you furious with Khasbulatov's attitude toward you? He made that derogatory gesture toward you.

[Yeltsin] I have hardly taken any notice of Khasbulatov at all recently. You know, I have simply ignored him.

[Ryazanov] It was a time when the hour of destiny tolled for Russia, because we learned that the putschists could, and wanted to, start an open general uprising or civil war on 6-7 October. Did you have information of that nature?

[Yeltsin] Yes, we had precise information that the coup was being planned. It was a conspiracy—that is very important—a conspiracy and a coup d'etat. They even began to set up and arm combat groups in the regions which were subordinate to the soviets. Work it out for yourself: where could they have got so many weapons from? They collected them in advance. Where did they get those weapons if there were no plans for a coup?

[Ryazanov] Mr. President, why did you not respond immediately the same day you published the edict on the dissolution of the Supreme Soviet? Why did you not blockade the White House immediately? Why did you allow the putschists the possibility of concentrating their forces; armed troops even came to Moscow from other former Soviet republics and were allowed into the White House.

[Yeltsin] We wanted to try again and again to give the putschists the opportunity to make us an offer or somehow to become reconciled with us. I wanted to try to hold negotiations with the deputies and the other people who were in the White House, in order to get them to see reason. I wanted time and again to get them to see reason. However, I waited so long—I really tried up to the very last moment—and only after I realized that it was impossible to talk to those people did I change my actions.

[Ryazanov] Mr. President, every edict you publish must probably anticipate what will happen, what reactions it might provoke. Did you also anticipate what reaction this edict of yours would provoke: the blockade of the White House, the appointment of the false new president, Aleksandr Rutskoy, and of the false new ministers. Did you anticipate that something like that might happen? Or did you not anticipate it, and did it come as a complete surprise to you?

[Yeltsin] No, I didn't only anticipate all that. I anticipated even worse, and we were prepared for an even worse turn of events.

[Ryazanov] What do you mean, Mr. President?

[Yeltsin] We also considered the possibility that the Russian regions might join the coup. What would have happened then? A veritable civil war, a civil war throughout Russia.

[Ryazanov] So, Mr. President, did you consider a civil war possible?

[Yeltsin] I considered it possible, but hardly likely. I worked on the premise that a civil war could not be allowed to occur, and we forecast that there would be no mutiny or rebellion in the individual regions. In addition, we anticipated—correctly—that public opinion throughout the world would be on our side.

[Ryazanov] So, Mr. President, were you of the opinion that a rebellion would not break out throughout Russia?

[Yeltsin] Of course, I knew in advance that we would manage to localize the rebellion in Moscow and that there would be nothing similar even in St. Petersburg, although I did send Chernomyrdin there to calm the situation. It was clear to me that we would localize it in Moscow.

[Video insert of Ryazanov arriving at Yeltsin's government dacha outside Moscow a day later; presenter's voiceover gives background and introduces the more personal part of the interview.]

[Ryazanov] Mr. President, your relationship with Mikhail Gorbachev is in fact paradoxical. He threw you out [words indistinct], but not until that happened did you become really popular with the people. What sort of feelings do you have toward Gorbachev? See how I've formulated the question: On the one hand, he ruined you personally, while on the other hand he made you popular with the people by doing so. Without himself wanting to do so.

[Yeltsin] I cannot say that I hate him, but I do not respect him. I neither respect Gorbachev as a politician nor as a person.

[Ryazanov] But did you never feel a desire to seek revenge on Gorbachev?

[Yeltsin] No. I was terribly sorry for Russia. I must honestly confess that I was sorry for Russia. During the Soviet era Russia did not have a state of its own. It was completely dependent. Russia was completely subordinated. Russia was under the yoke of the Soviet Union.

[Ryazanov] Russia was the most powerful part of the Soviet Union.

[Yeltsin] But it was completely dependent, nonetheless. Russia could do nothing. Russia was not allowed to build a kindergarten on its own territory without first seeking permission from the Soviet State Planning Commission. Moreover, I would like to make a further point. Although I am sometimes accused by Gorbachev of destroying the Soviet Union by establishing the CIS, that is not true. It was the putsch in August 1991 that gave the death blow to the former Soviet Union, because the republics in the former Union no longer trusted the Soviet Union and could and would no longer believe Mikhail Gorbachev. In this way, Gorbachev lost everyone's trust.

[Ryazanov] Mr. President, what is your attitude to religion?

[Yeltsin] [Video shows Yeltsin in church and at his mother's funeral.] What am I meant to say about that? You know, my mother brought me up to have a certain feeling for religion, even in those days. She was a deeply religious woman during her entire life. When I became a Communist, sometimes I reproached her for being such a religious woman. Then she hid the icons before which she used to pray from me, but still she prayed before them, and gradually she instilled in me a certain religious feeling. I started to behave with greater piety toward religion, though I cannot yet say that I am a deeply religious person, but I behave with great respect toward religion, and perhaps I will become a religious person through time.

[Ryazanov] Mr. President, please tell us, what is the greatest mistake you have made in your life? What has been the achievement you are most proud of?

[Yeltsin] You know, it is easier for me to answer your second question first. The achievement I am most proud of is my resignation from the Communist Party of the Soviet Union. I left the party during the party conference, and at that time I needed a lot of courage to do so. My resignation from the party triggered a whole wave of resignations throughout the Soviet Union. I see that as particularly important. That is why I am so proud of that. I regard that as the best deed of my life. It was a very difficult and complex decision for me. I had a hard time getting the better of myself.

As far as your first question is concerned—what would you rather erase from your life? The question is somewhat unexpected.

[Ryazanov] Mr. President, for a time in the former Soviet Union you were party leader of Yekaterinburg—then called Sverdlovsk. Did you have the house in Yekaterinburg destroyed, where the czar's family was first banished to and then murdered by the Bolsheviks in 1918?

[Yeltsin] Yes, that happened under me, but it was not solely my fault. I had instructions from above, from the Politburo. Even then, to start with, I had enough guts to resist this instruction, although it came from the Politburo, but despite that I had the house destroyed.

[Ryazanov] Do you regret that?

[Yeltsin] Yes, I regret it.

[Ryazanov] I would like to know how such a high-level former Communist turned into a democrat. What happened in your case?

[Yeltsin] It was a very painful and lengthy process. It was an agonizing change and it was anything but easy. It did not happen overnight. It was an agonizing process, I must repeat, but then, especially after I rose to the highest levels, into the Politburo, it really was not due to economic reasons but was a gradual process, step by step. As a Politburo member I realized that we had developed in the wrong direction, but even afterward it required an intense struggle from within.

[Ryazanov] Mr. President, it was probably important to you that the party should not criticize you.

[Yeltsin] Yes, but the party criticized me nevertheless, and then I finally left the party.

[Ryazanov] Did you have any sleepless nights before leaving?

[Yeltsin] Yes, I did not sleep the night before leaving the party, nor did I sleep the night after leaving it. I had many sleepless nights, but I was able to bring myself to do it.

[Ryazanov] Mr. President, at what point did you no longer regard yourself a Communist? Of course, you were not an ideological functionary but an economic functionary, but you were a Communist nevertheless.

[Yeltsin] You know, I have to thank Mikhail Gorbachev for that. He delivered a report at a Politburo session consisting of 20 points. I did not agree with any of those 20 points. I voted against them; I did not say yes to a single one of those 20 points. I was against. I was against all 20 points. I realized then that I was no longer a Communist. That was during a session of the Politburo. Soon after that I left the party formally. At a certain point I felt that I had finally broken with the party. I felt it inside. After that break there was no return to the

Politburo and to the party. At the time Gorbachev ran out of the room and stayed outside for 30 minutes. When he came back he began to berate me and then I thought: that's enough.

[Ryazanov] Do you have any feeling of responsibility or remorse for what the Communist Party did to Russia?

[Yeltsin] You know, perhaps I view the terms remorse or repentance somewhat differently to you. For me the words remorse or repentance are more religious in character. That is what I understand by repentance. In order to repent you have to be inwardly prepared to do so. It is a very deep feeling. I also understand our great writer Aleksandr Solzhenitsyn, who deals with religious feeling. It is not like that for me, however. If we are talking of repentance, remorse, and guilt, then I would say that the whole generation that was born into this age should repent, or should show remorse; all those who lived and were involved at that time in what Communism did to Russia, but not me alone, me personally. [passage omitted]

[Ryazanov] Mr. President, permit me to ask a really nasty question, a truly nasty question. Mr. President, among the people it is said that you are far too fond of drinking one too many. Yes, they even say that, on those specific occasions he was not quite sober. I do not believe it, but that is what people say. I cannot help that. The opposition is probably spreading this accusation deliberately. But since we are speaking so openly, man to man, could you please answer this question?

[Yeltsin] With friends, at birthday parties, on national holidays, I like to drink the odd schnaps, but I am never drunk.

[Ryazanov] Thank you, an absolutely exhaustive answer.

[Yeltsin] You are welcome.

[Video insert shows Kremlin; presenter's voiceover gives background speculating on Yeltsin's attitude to power, and who his role models are.]

[Yeltsin] I bow before Andrey Sakharov, our great scientist, intellectual, and human rights campaigner, and if we are talking about foreign politicians, then I bow before former British Prime Minister Margaret Thatcher, and also before our great czar, Peter I.

[Ryazanov] But Mr. President, Peter I sometimes fought his enemies with his own hands.

[Yeltsin] I know, but look at how much he did for Russia, we must not forget that either.

[Ryazanov] Mr. President, you are curently governing the country with almost unlimited powers. No president before you has had such powers and the new constitution gives you very great rights. What would you like to say to those people who do not trust you and who may perhaps think that you would like to exploit these powers for your own ends?

[Yeltsin] I would like to say to those people that I am not interested in my personal prosperity or in my personal power. I am interested only in the prosperity of Russia. All I want is to work for Russia, to ensure that Russia arises again as a strong, powerful, and democratic state. Personal power is something that I do not need at all. I am not greedy for power for myself. I do not want to rub my hands and say: Oh God, how mighty I finally am, how free I am to eliminate my enemies! That doesn't matter to me. Believe me. I am interested only in Russia's prosperity and in Russia's rebirth. I love Russia like nothing else in my life, and I believe in Russia's bright future. We shall bring Russia to life again. People understand that, the people understand that. I talk to our fellow citizens on the streets, in enterprises, in factories, and they realize that.

The results of the referendum are proof of this, and for that reason I am quite convinced that, as a nation, we will gradually recover from this 70-year Communist menace and wake up to a new life. We will free ourselves from the influence of the totalitarian monster which has tortured us for so long. We are starting to reform ourselves and to recognize that. I regard that as the most important thing I could say about our nation. I could say a lot more—that our people are diligent, clever, talented, and gifted—but what we are experiencing at the moment is the dismantling of the old images of the enemy, the dissolution of the old cliches and stereotypes, the transition to new values, and the reform of man.

Filatov Wants Constitution Published in Press

LD1311091693 Moscow ITAR-TASS World Service in Russian 1258 GMT 12 Nov 93

[By ITAR-TASS correspondent Gennadiy Talalayev]

[Text] Moscow, 12 Nov—A meeting of the president's representatives at local level discussed the run-up to the 12 December parliamentary elections and referendum on the draft of the new constitution. The meeting was held today in the Kremlin.

Addressing the meeting, Sergey Filatov, head of the president's administration, said in particular that the draft constitution has been published in the central newspapers with a total circulation of 15 million copies. Two to three million pamphlets with the text of the constitution will also be issued.

However, in his opinion, this is insufficient. He has called on the president's representatives to adopt measures for publishing the draft in the local press. "Adopting this Constitution," Sergey Filatov stressed, "will dash any hopes of a return to the old ways, the hopes of those who organized the events at the beginning of October."

Nikolay Ryabov, chairman of the Central Electoral Commission, told the meeting how the registration of candidates for deputies in the Federal Assembly is progresing.

Baturin on Adjustments to Draft Constitution

LD1211200993 Moscow ITAR-TASS in English 1946 GMT 12 Nov 93

[By ITAR-TASS correspondent Nikolay Manvelov]

[Text] Moscow November 12 TASS—"After the text of a draft fundamental law of Russia was endorsed by the Constitutional Convention, adjustments were introduced to it several times," presidential aide Yuriy Baturin told ITAR-TASS in the central house of journalists here on Friday [12 November] during a meeting with the press attaches of the diplomatic missions of CIS countries.

Baturin said a working commission kept record of suggestions and wishes expressed during the discussion of the draft constitution in the public and state chambers of the Constitutional Convention.

The commission was unable to reach a common agreed upon decision on some matters, and they were brought up for judgement by the Constitutional Arbitration Commission which produced wording of its own.

A special ten-member group was set up during a meeting with representatives of the subjects of the federation. The group amended some more articles of the draft constitution. Then the president through his instruction set up an editorial working group consisting of linguists and professional editors who polished the draft constitution text stylistically.

The group completed its work by midnight on November 7 and on the next day the draft was on the president's table. The president worked on the draft constitution text for half a day, likewise introducing some amendments. In all, adjustments were introduced to about 20 articles, Baturin pointed out.

Communist Leader Sees Constitution as 'Presidential Decree'

LD1211221693 Moscow INTERFAX in English 1743 GMT 12 Nov 93

[Text] The draft new Russian Constitution is a long presidential decree on assuming all thinkable and unthinkable powers and it will lead to the establishment of absolute personal power, candidate to the State Duma and leader of the Russian Communist Party Gennady Zyuganov told a news conference in Moscow Friday [12 November].

He believes that since the president assumed the right to make appointments, to form the judicial and administrative branches of power, the legislative bodies can only do the law making job.

Zyuganov believes the fact that the State Duma cannot be dissolved during the first year of its activity is the only mistake. He claims, however, that since Yeltsin dissolved the old parliament by decree, he will find a way to dissolve the new one if he dislikes it.

Text of Edict Replacing Sverdlovsk Oblast Chief

PM1211125593 Moscow ROSSIYSKAYA GAZETA in Russian 12 Nov 93 Single Edition p 2

[Edict No. 1890 of the Russian Federation president "On the Head of Sverdlovsk Oblast Administration," dated Moscow, the Kremlin, 10 November 1993 and signed by Russian Federation President B. Yeltsin]

[Text] In connection with the fact that Sverdlovsk Oblast Administration Head E.E. Rossel committed actions aimed against fulfilling the Russian Federation president's Edict No. 1400 of 21 September 1993 "On Stage-by-Stage Constitutional Reform in the Russian Federation" and Edict No. 1617 of 9 October 1993 "On Reforming Representative Organs of Power and Organs of Local Self-Management in the Russian Federation" and substantially exceeded his powers;

guided by Articles 4 and 9 of the Russian Federation Law "On the Procedure for Appointing and Dismissing Heads of the Kray, Oblast, Autonomous Oblast, Autonomous Okrug, City of Federal Significance, Rayon, City, City Rayon, Settlement, and Village Administration" and also by Point 1 of the Russian Federation president's Edict No. 1452 of 25 September 1993 "On the Liability of Persons Opposing the Implementation of Stage-by-Stage Constitutional Reform," I decree:

1. Eduard Ergartovich Rossel is to be released from the post of head of Sverdlovsk Oblast Administration.

2. Valeriy Georgiyevich Trushnikov is to be appointed acting head of Sverdlovsk Oblast Administration.

[Signed] Russian Federation President B. Yeltsin
[Dated] 10 November 1993

Officials on Yeltsin's Edict

MK1111113593 Moscow SEGODNYA in Russian No. 77, 11 Nov 93 (signed to press 10 Nov) p 2

[Natalya Gorodetskaya, Vladimir Todres report under the "Federation" rubric: "The Urals Republic Abolished. Hit Your Own People To Scare Other Folks"]

[Text] Boris Yeltsin's 9 November edict abolished the Urals Republic and disbanded the Sverdlovsk Oblast Soviet which established the republic on the strength of the results of the oblast referendum. The edict was clearly timed smartly: scheduled for Tuesday was an extraordinary (because of "the center's negative reaction") session of the oblast soviet, and Wednesday would have seen a conference of governors of the six Urals regions to discuss the work of a commission that had explored "the possibility of the creation of a united Urals Republic."

The 9 November session confirmed amendments to the "transitional provisions of the Constitution of the Urals Republic" that granted it the right to pass laws on a referendum and on elections for a governor of the Urals Republic, and then to pass the laws proper. A referendum was set for 12 December to answer the question: "Do you accept the Constitution of the Urals Republic that establishes the equality of the Urals Republic with the other republic components of the Russian Federation?" Elections for a governor were to take place later the same day. The first candidate for this position was acting governor Eduard Rossel, head of the oblast administration, who declared that if the people showed no confidence in him he would tender his resignation to the Russian Federation president.

Having received the official text of Yeltsin's edict the Yekaterinburg authorities preferred to obey it. In the words of Mr. Grebenkin, "there is nothing in the text of the Urals constitution that contradicts presidential edicts," and the document would obviously be simply renamed the oblast's charter. All in all, seven people work in the oblast soviet on a permanent basis, and the Eduard Rossel administration would like, according to some information, to keep them as an analytical unit.

The oblast leaders maintain that they had started the whole republic affair as a "state-legal experiment" in a bid to achieve equality of the "Russian province" with the ethnic autonomous entities. "We have played our role and we have been put at the mercy of Nikolay Medvedev, the official "for fighting against territories," Anatoliy Grebenkin told SEGODNYA. In the meantime Mr. Medvedev has already threatened Mr. Rossel that he would take some "personal administrative sanctions."

Both the oblast soviet and the administration of Sverdlovsk Oblast have until today remained loyal to their fellow-countryman president. Incidentally, there was no sharp reaction from the president to either the oblast referendum in April or the proclamation of the republic in July. Thus the present conflict is interpreted by local chiefs as an instance of punishing your own people to make others fear. A number of local observers maintain that the current attack on the oblast by Moscow "may send Boris Yeltsin's rating down before the Duma elections."

Remarkably, the conference of Urals governors (including delegates of Bashkortostan and Udmurtia) has not been canceled, and it will end today within the framework of the Urals Regions Association of Economic Interaction. In the words of Mr. Grebenkin, "We are not going to reject such an integration because the region's economic interests are objective and they do not depend on edicts and constitutions." That is what they seem to fear in the Kremlin. As Vitaliy Mashkov, the president's representative in the oblast has stated, the center "is not against the principle of Russia's territorial division accompanied by the enlargement of federation components. But this process should proceed from the top."

Kozyrev Addresses Government Presidium Session

LD1111141093 Moscow Radio Rossii Network in Russian 1200 GMT 11 Nov 93

[Text] Russia's Foreign Minister Andrey Kozyrev stated today that Chechnya is part of Russia and will never be anything else.

Addressing a sitting of the presidium of the government, Andrey Kozyrev—as follows from an RIA report—does not agree with the Moscow Government's view that Chechens staying in the capital should be treated as foreigners. The minister believes that if Chechens break laws in Moscow then the Interior Ministry, and not the Foreign Ministry, should deal with them.

Chernomyrdin Meets Heads of Regional Culture Departments

LD1211222793 Moscow ITAR-TASS in English 1657 GMT 12 Nov 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow November 12 TASS—A meeting of Russian Prime Minister Viktor Chernomyrdin with heads of leading ensembles, philharmonic societies and chairmen of regional departments of culture was held today to discuss further development of Russian culture and its problems.

The meeting was also attended by First Vice-Premiers Oleg Soskovets and Vladimir Shumeyko and Vice-Premier Sergey Shakhray.

The meeting participants praised a presidential decree "On Additional Measures of State Support to Russian Culture and Arts" and noted folk culture may play a considerable role in consolidation of society and preservation of its morals against the background of complicated social and economic situation in Russia.

They said the Ministry of Culture does not perform properly its coordinative and organizational role and voiced the need for material support of actors and artists and encouragement of investments in culture.

Edict Boosts Culture, Arts

LD1311211993 Moscow ITAR-TASS in English 1543 GMT 13 Nov 93

[Text] Moscow November 13 TASS—The press service of the Russian president has passed along to TASS an outline of yesterday's presidential decree on additional measures to improve state support of culture and the arts in the Russian Federation.

According to the document, 500 monthly scholarships amounting to 100,000 rubles each and 500 monthly scholarships amounting to 50,000 rubles each will be established as of January 1, 1994. The scholarships will be awarded to young talented authors of literary, musical and artistic works in the course of three years.

As of January 1, 1994, the percentage of non-taxable profit, which enterprises and organizations may transfer to state artistic, cultural, cinematographic, archival institutions, creative associations and other types of unions of creative workers on a gratis basis, will be increased to five per cent; as to the banks and insurance companies, which will give away money for the same purpose, the percentage of non-taxable profit will amount to three per cent.

As of January 1, 1994, all sorts of printed materials received by state libraries and museums through international book exchange will be exempt of value-added tax; the same applies to cinematographic and video production imported by the state cinematographic and video organizations into the customs zone of the Russian Federation for international non-commercial exchanges.

Profits from distribution of cinematographic and video production for kids, turned out by the Russian film studios, will be also exempt from taxation.

The Russian Government's Commission for Economic and Monetary Issues was instructed to consider within a month the issue of relieving state cultural, cinematographic and archival organizations of the obligatory sales of a part of their hard currency receipts from their activities abroad.

The Russian Ministry of Finance must provide for compensations for 50 per cent of all kinds of travel expenses inclusive of the cost of luggage transportation within the Russian Federation for federal theatres, circus collectives, philarmonic orchestras touring the country or holding exhibitions and festivals.

The Russian Government was commissioned to fund creative associations and their affiliates at local level with receipts from imposing value-added taxation upon manufacturing enterprises of the creative associations, provided that these receipts will be used to meet the unions' social and creative needs.

Bodies of executive power at local level were advised to transfer buildings and facilities of social and cultural application to Russia's creative associations for termless and free of charge use.

The Russian Government was commissioned to solve the issue of legalizing ownership rights of writers' associations.

The presidential decree also provides for some other measures and benefits aimed to support culture and the arts in the Russian Federation.

Heads of Inter-Regional Associations Hold Conference

LD1211055093 Moscow ITAR-TASS World Service in Russian 1738 GMT 11 Nov 93

[Text] Moscow, 11 Nov, (ITAR-TASS)—A meeting of the heads of inter-regional associations was held in Moscow today. Sergey Filatov, the Russian Federation president's head of administration, spoke about the work of the supreme bodies of state power, the election campaign, and preparations for the referendum on the draft new constitution and about the tasks of the inter-regional associations in these conditions. Issues connected with the lessons derived from the October events in Moscow were also touched upon.

Mikhail Mityukov, deputy Russian Federation minister of justice and chairman of the commission for legislative proposals under the Russian Federation president, delivered a report on the role of the inter-regional associations in explaining and coming to agreement on the main provisions of the Russian Federation draft constitution and in the elections to the Federal Assembly.

Vladimir Podoprigora, head of the apparatus of the Russian Federation Federal Assembly, spoke on the work of the future Federal Assembly, the mechanism of agreeing upon the legislative drafts of the Russian Federation, and on the implementation of the agreement on cooperation between the federal bodies of power and the inter-regional associations.

Those present at the meeting signed a protocol on the results of the meeting, which envisages "involving the inter-regional associations in the process of the discussion on the draft Constitution of the Russian Federation and the holding of elections."

Foreign Ministry To Undergo Restructuring

LD1211174593 Moscow ITAR-TASS in English 1559 GMT 12 Nov 93

[By ITAR-TASS diplomatic correspondent Georgiy Shmelev]

[Text] Moscow November 12 TASS—The Russian Ministry of Foreign Affairs has decided on restructuring in line with President Yeltsin's recent remarks during his visit to the ministry and professional information amassed in the ministry itself to upgrade its work with Commonwealth member-states and other neighboring countries.

There will be no cuts in staff of the ministry, only a reshuffle involving the most experienced and skilled diplomats. The staff will be reinforced with specialists in disarmament and international organizations to strengthen multilateral cooperation with Commonwealth countries and other neighbors and coordinate Russia's participation in events held within the frame of the Commonwealth.

The ministry's leading divisions will concentrate on bilateral relations with Commonwealth states, former Soviet and socialist camp countries and on critical situations.

President's Security Men Said To Wiretap Senior Officials

MK1311122093 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 13 Nov 93 p 1

[Unattributed report under the "Hold the Front Page!" column: "Presidential Security Men Will Keep Tabs on Senior Officials' Loyalty"]

[Text] MOSKOVSKIY KOMSOMOLETS has learned from informed sources that from now on the Russian Federation Main Security Administration will be keeping tabs on the loyalty of the president's and government's staff officials.

To begin with, the Main Security Administration is going to take from the Security Ministry the function of listening to telephone conversations of members of the central staff. Incidentally, none of the staffers has any doubts that the Main Security Administration has already started active wiretapping. They attribute this to the fact that the Security Ministry failed to keep the president properly informed about his own personnel during the 3-4 October events.

We were told at the Main Security Administration that the capabilities of their technical operations section are so modest that they are unable to monitor all the staffers. To make it possible, it is necessary to form several around-the-clock teams. They did not, however, bluntly deny the news of eavesdropping.

Election Issues

Filatov Clarifies Yeltsin Stance on Presidential Elections

LD1211212093 Moscow Mayak Radio Network in Russian 1200 GMT 12 Nov 93

[Text] Sergey Filatov, head of the president's administration, said in an interview to the Ekho Moskvy radio station that no one had rescinded the presidential decree on pre-term presidential elections on 12 June. The president has only expressed his opinion and not his decision. It is the people who will decide, he said.

Filatov noted that the transitional provisions of the draft constitution which is to be put to referendum state that the president should exercise his mandate until the end of his term. If the constitution is not adopted at the referendum the question of the date of the presidential elections will be decided by the State Duma, Filatov stressed.

Assesses Parties' Chances of Winning

LD1311174693 Moscow INTERFAX in English 1322 GMT 13 Nov 93

[Text] The presidential chief of staff Sergey Filatov believes that of the 13 associations, cleared by the central electoral commission for elections on December 12, 5-7 will be able to overcome a 5%-barrier. He regards as best the chances of "Russia's Choice", led by Yegor Gaydar, the bloc "Yavlinsky-Boldyrev-Lukin", the Russian Unity and Concord Party (Sergey Shakhray), the Agrarian Union and the Communist Party (Gennadiy Zyuganov). It looks as if they will make up the basic factions in a future parliament.

Filatov, who runs for elections to the State Duma, met senior Security Ministry officials in Moscow on Saturday.

In his opinion, the democrats failure to agree on a single electoral bloc should not be dramatized. On the contrary, he said, the wide democratic spectrum in the election campaign will bring more people to the polls.

He described the constitution as crucial to elections on December 12. Its approval at a plebiscite to be held simultaneously with parliamentary elections will stabilize society and the chosen course, will guarantee citizens against all sorts of adventurists so that what happened in Moscow on October 3-4 would never recur, he declared.

Filatov stressed that the future Russian constitution would be reliably protected against attempts to amend it, as was done earlier when the former Supreme Soviet, led by Ruslan Khasbulatov, introduced "amendments without number" into the fundamental law.

Commenting on the clauses of the new constitution, Filatov underlined that it was the right decision to remove from the text such a notion as sovereign federation members. "Sovereignty confuses us and can trigger off tragic effects", he stressed and added that the inclusion of this notion would lead to confederative relations in Russia in the long run. In the meantime, the draft reads that Russia is a federation.

Filatov said with reference to the results of the April referendum and polls that about 55% of the population of Russia that President Yeltsin is supported by some 55% and is opposed by up to 25% of the populace.

At the meeting with senior security ministry officials, he said that he had much respect for what they'd been doing. In his words, the security department leadership is learning lessons from what happened on October 3-4 and is beginning to reform the ministry.

At the same time, he put a number of questions to the department. For instance, he wondered how some people involved in the attempted rebellion and militants from Aleksandr Barkashov's extremist organization had managed to get out of the besieged White House.

He recalled that the former security chief Viktor Barannikov, who following his dismissal in August crossed over to the White House's side in September, was now in the Lefortovo prison. Filatov urged the ministry's new leadership to thoroughly investigate what happened and draw appropriate lessons.

In his words, it is very important for him that the leaders of the department and its personnel realize the situation in the country today.

Filatov described the signing by President Yeltsin on September 21 decree No. 1400 on gradual constitutional reform as a "right decision" He said that ever since the 6th Congress of People's Deputies some leaders (meaning Khasbulatov and Rutskoy—IF) developed some power ambitions. He noted the investigation in regard to the organizers of the events on October 3-4 (possibly meaning a conspiracy) would be completed.

Answering questions, Filatov remarked that he did not expect the future parliament would make "cardinal changes" in the laws on security and federal security agencies and routine investigating activity on which the Security Ministry's work is based.

The First Deputy Security Minister Sergey Stepashin declared at the meeting that the department was eager to further secure citizens and the state.

Shakhray Says Yeltsin for All Democratic Parties

LD1211182793 Moscow INTERFAX in English 1601 GMT 12 Nov 93

[From the "Presidential Bulletin" feature]

[Text] The Party of Russian Unity and Concord (PRUC) will enter no coalition for the coming parliamentary election, said its leader, Sergey Shakhray.

He said at a news conference in Moscow that, of all political parties proposing its candidates to the future legislature, PRUC was not based on the "social estate principle." What underlay his party's program was the idea of federalism and self-determination, he said.

Shakhray expects PRUC to form the basis for the majority in the State Duma. The party, he said, would insist that the government ask the parliament to take a vote to show whether it had confidence in it. PRUC would back Viktor Chernomyrdin's government.

Shakhray believes only the ministers having the support of the parliamentary majority should remain in the government.

He reaffirmed that he would stand for State Duma chairman.

Shakhray was critical of President Boris Yeltsin's intention to cancel the presidential election scheduled for June 1994. "Predictability and consistency are very important in politics," he said.

As for the forthcoming parliamentary elections, they would be "15 percent more democratic than the elections to the Soviet and Russian parliaments in 1989 and 1990," which were held "in accordance with the instructions of the Communist Party of the Soviet Union."

IF Note: Some analysts close to the Russia's Choice election bloc believe that many of the major steps taken by Yeltsin in the past three months were based on suggestions or direct advice made by Shakhray.

At the same news conference, Shakhray protested against Russia's Choice being regarded as a bloc representing the president and government. He said the president backed all democratic parties and organizations, while the government and the prime minister took no part in any pre-election activities.

Shakhray said Chernomyrdin "would take a fairly cold attitude to blocs planning to put another premier in office after the election."

He also said PRUC supported the final draft of the new constitution, but did not agree with some of the provisions in it. The party would "in a civilized manner" be pressing for amendments to it, he said.

IF Note: Yeltsin said the final draft of the constitution met the highest world standards. He told the head of the Parliamentary Assembly of the Conference on Security and Cooperation in Europe, Ilkka Suominen, Speaker of the Finnish Parliament, that after a long discussion on a procedure for the adoption of the constitution, its authors came to the conclusion that the best solution was holding a national referendum on the draft, "in order to enable all the 100 million Russian electors to take part in the voting."

Yeltsin 'Final Decision' on Elections Not Made

LD1211203993 Moscow INTERFAX in English 1916 GMT 12 Nov 93

[Text] Boris Yeltsin has not made his final decision on the fate of early presidential elections yet and will possibly voice his opinion after formation of Russia's State Duma, a high-ranking representative of the country's leadership declared on Friday.

"As far as I know, President Yeltsin has not abolished his decree on early presidential elections scheduled for June 12 next year," first aide of the Russian president Viktor Ilyushin told Moscow correspondent of the inter-Arabian newspaper AL-SHARQ AL-AWSAT on Friday. The president will possibly think this question over "in a slightly different form" after the election of the Federal Assembly, Ilyushin surmised.

As far as I am concerned, he continued, I entirely share the position of Yeltsin, who made a forced decision to hold early elections under the pressure of circumstances. However, these circumstances have changed now and one should take this into consideration, Ilyushin explained in a telephone interview with INTERFAX. He said that he views the president's doubts on the necessity of early presidential elections next summer as "natural."

Boris Yeltsin shared his doubts with mass media chiefs on November 6. According to Ilyushin's estimate, several media sources "were too hasty to present these

doubts as sensation in a spirit peculiar to them." "One should neither be silent with respect to the early elections issue nor make a precocious sensation of it," said the first aide of Russian president.

Yeltsin Says Edict Stands

LD1511133693 Moscow ITAR-TASS in English 1330 GMT 15 Nov 93

[By ITAR-TASS correspondent]

[Text] Moscow November 15 TASS—Russian President Boris Yeltsin said his decree announcing early presidential elections on June 12, 1994 remains valid and that his recent pronouncements that it is inexpedient to hold early elections were not an official decision.

The president "is practically given no right for a private outlook, for an unofficial opinion, even for emotions during a talk with pleasant interlocutors", Yeltsin complained in an interview published in the evening edition of the "IZVESTIYA" newspaper on Monday. He was referring to editors-in-chief of Russian mass media at a meeting with who he had recently voiced the idea of canceling early elections.

Yeltsin admitted that he does not feel like holding early elections not because he is afraid to lose them, but because at the upcoming referendum on the constitution people "will directly or indirectly express confidence to the president".

This will be the second referendum this year. In April Yeltsin won the confidence vote of the people.

Yeltsin added that he would like to know the opinion of the future parliament, which is to be elected on December 12, on whether to hold early presidential elections.

Ryabov Comments on Lukyanov's Electoral Candidacy

LD1211210293 Moscow Russian Television Network in Russian 1700 GMT 12 Nov 93

[From the "Vesti" newscast]

[Text] Speaking at the Central Electoral Commission news conference today, Nikolay Ryabov cited some interesting details of the election campaign. For example, the list of candidates for election as State Duma deputies representing the Communist Party of the Russian Federation includes Anatoliy Lukyanov, who is at present one of those on trial in the State Committee for the State of Emergency case. Ryabov noted that under existing legislation there are no grounds to reject his participation in the elections despite the fact that he is under investigation.

Grants Interview on Elections

PM1211154793 Moscow ROSSIYSKAYA GAZETA in Russian 12 Nov 93 Single Edition pp 1-2

[Interview with N.T. Ryabov, chairman of Russian Federation Central Electoral Commission, by Vladimir Yanchenkov on 11 November; place not given: "To Wage the Struggle for the Voter Respectfully and Worthily"]

[Text] An important stage of the election campaign—collecting signatures for the registration of candidate deputies and electoral associations involved in the election struggle—has been concluded. ROSSIYSKAYA GAZETA's correspondent met with Nikolay Timofeyevich Ryabov, chairman of the Central Electoral Commission.

[Yanchenkov] So, half of the election marathon has been run. How can you assess what has been done?

[Ryabov] Yes, the first half of the election campaign ends 15 November with the nomination and registration of candidate deputies in single-seat districts (for the State Duma) and in two-seat districts (for the Federation Council). This part of the marathon was associated more with organizational questions.

I will say that the results of this first stage and the activities of parties, movements, and electoral associations in the electoral field have proved highly successful. If we consider the fact that 13 electoral associations are securing the right to participate in the struggle for deputies' mandates (as is known, each of these associations includes several parties), we can rightfully maintain that our society has recognized the idea of a multiparty system. I believe that this conclusion is very gratifying for us all.

I see another positive result in the fact that the overwhelming mass of the population of Russia was prepared to participate actively in the collecting of signatures. You will agree that from a purely psychological viewpoint it is not easy for someone educated by a totalitarian regime to pull out his passport and allow his data to be entered on some paper. There is still an element of fear and mistrust of actions of this kind among our people. So our society's civic level proved up to the mark.

Although I must confess I am concerned now about the way the signing campaign is going in two-seat districts. In these, as is known, there must be three candidate deputies, from whom two must be elected. But today is 11 November, and only 514 candidates have been nominated in 85 districts (out of 88). This is the total figure, and the way it breaks down among the districts differs greatly. In some districts four, six, or more people have been nominated, but in others no one at all as yet.

I draw the attention of the candidate deputies, of local administrators, and of the population itself to this. Inertia and sluggishness in this matter could result in the need for a repeat procedure with regard to everything

that has been done: nomination, collection of signatures, etc. This means both a delay in time and additional expenditure of huge amounts of money.

[Yanchenkov] Nikolay Timofeyevich, of the 21 registered electoral associations, as you have said, only 13 will continue the struggle for seats in parliament. For what reasons have the other eight fallen by the wayside?

[Ryabov] Some of them—for example, "New Russia" and the "Association of Professionals"—themselves analyzed the situation with regard to the shortfall of signatures and realized that they could not count on anything. They recalled their documents from the Central Electoral Commission. In general, these eight associations were refused registration not because they had violated something or had for some reason lost their political image, no. They were refused because they had proved incapable of fulfilling all the necessary conditions within the time laid down in the Statute on Elections. How society will rate them in the future and what their political fate will be now depends on themselves. If they take account of their mistakes and miscalculations, prepare more purposefully for the next elections (in two years), and extend their social base, success might come to them.

[Yanchenkov] In light of this, what is your attitude to Konstantin Borovoy's statements in the mass media?

[Ryabov] Extremely negative. The fact that Borovoy urged his potential supporters among the voters to cast their votes for other democratic forces is correct and natural, but the fact that he groundlessly, a priori, accuses other electoral blocs of falsifying lists of signatures and of sharp practice—these attacks are unworthy and inadmissible simply from the viewpoint of elementary decency.

Moreover, Borovoy is plainly dissembling when he alleges that his people checked the lists of other electoral associations and were convinced that "Russia's Choice" had behaved honestly, while the others' lists had been falsified.

I declare in all responsibility that Borovoy had and has no opportunity to check the lists of signatures of other parties and associations. The Central Electoral Commission alone, and nobody else, has such an opportunity and right.

I will speak frankly. After hearing Borovoy's statements, I breathed a sigh of relief: If someone behaves like this right at the start of the election struggle, what could we have expected from him if he had received a deputy's mandate?

[Yanchenkov] Have there been any violations of the Statute on Elections at all on the part of electoral associations?

[Ryabov] We do not know of any. We have debarred no one from participating in the election campaign because of a violation of the statute. For the statute states that in such cases an official representation must be made to the Central Electoral Commission with regard to the specific fact. For example, there were attempts to falsify signatures in Yaroslavl, and criminal proceedings have been instituted there. Some 22,000 signatures were allegedly stolen there from Baburin's Russian National Union. We have involved the prosecutor's office and Internal Affairs Ministry organs, and an investigation is under way.

The press writes a great deal about alleged cases of violations of the Statute on Elections. This is its business, but judge for yourself: It is said that interested electoral associations paid money to collectors of signatures. And why not? For this is work, and hard work too. Or it is said that some association bought signatures. This, too, is the business of the interested sides, as they say, but to collect signatures under threat of violence, by deceitful means—that is illegal and punishable. The actual forms and methods of signature collection, however, have not been regulated legislatively.

[Yanchenkov] Take this question. The Statute on Elections states that the dissemination in the mass media and through other channels of materials damaging to the honor and dignity of a candidate deputy is prohibited for seven days leading up to elections. But how does the matter stand during the other days of the election marathon?

[Ryabov] As you know, the dissemination of information which is known to be false and which discredits citizens' honor and dignity is liable to administrative and criminal prosecution, but the mass media can print and broadcast any materials of an objective nature containing criticism throughout the time before an election, with the exception of these seven days prior to the election itself. This is their right.

During the seven days prior to an election, I emphasize, the publication of any critical materials about candidate deputies, even the most objective and verified materials, is prohibited. This is a very important point.

[Yanchenkov] A few words about the Information Arbitration Tribunal. How will it organize its relations with the Central Electoral Commission?

[Ryabov] They have their own field of activity—the examination of complaints against the mass media, electoral associations, and candidate deputies who abuse their opportunities. We at the Central Electoral Commission will obtain such information from the Information Arbitration Tribunal. The tribunal will work with us on shaping the whole program of the use of the mass media by electoral associations. The tribunal's efforts will be directed chiefly not toward examining complaints but toward preventing and averting negative phenomena.

To conclude this conversation, I would like to draw attention to the following. The most important stage of the election campaign is now coming. Since a person is required to elect parliament, he must know for whom

and for what he will vote. Right now, during this month, the candidate deputies and electoral blocs must unfold and show their programs and platforms and convince people of the sincerity and significance of their goals.

The situation in the country today is quite different to what it was in 1989, say, during the last election. Russia has become quite different, with different social, political, and economic conditions. It is in this situation that those who want to get into parliament must show people in all depth and breadth the path along which they want to lead the country.

As a voter, I will never believe those who only criticize. Nor will I believe those who promise a land flowing with milk and honey but who, at the same time, do not set forth a clear and specific program showing how, by what means, they intend to achieve this prosperity for all Russians.

I, chairman of the Central Electoral Commission, would like to wish everyone involved in the election struggle: Work painstakingly on how to convey your programs, goals, and tasks better and more effectively to people, to voters. For our part we will create all the conditions for this, will make time available on radio and television and in the press, will make it possible to print and disseminate slogans and posters, to meet with voters, etc.

I am sure that the parties and movements which are continuing the struggle for seats in parliament will carry out agitation work by worthy means, within a framework of respect for themselves, for their opponents, and, in the end, for their own people.

Satisfied With Council Nominations

LD1411164593 Moscow INTERFAX in English 1438 GMT 14 Nov 93

[Text] The Central Election Commission describes as satisfactory the preliminary results of nomination to the Federation Council, chairman of the Central Election Commission Nikolay Ryabov has told Interfax in Moscow. There are fears, he said, that some regions will be unable to nominate at least three candidatures to the upper house of the Federal Assembly thus making it impossible to hold elections there.Among them are the Moscow, Chelyabinsk, Bryansk, Perm, Arkhangelsk, Astrakhan and Kirov regions, and Tatarstan and Ingushetia.

Ryabov believes there will be nothing wrong if these or other subjects of the Russian Federation are unable to nominate at least three candidates to the upper house of parliament by the date set. If so, he said, the Central Election Commission has the right to postpone elections for 12 weeks in those regions. Ryabov has said that the deadline for submitting lists with signatures in support of candidates running for both houses of the parliament expires November 14 at midnight.

Views Progress of Registration

LD1511132293 Moscow INTERFAX in English 1119 GMT 15 Nov 93

[Text] The success of nominating candidates to the both houses of the Federal Assembly makes it certain that the elections will take place, Central Election Commission Chairman Nikolay Ryabov said Monday [15 November]. He said that in every constituent part of the Russian Federation at least three candidates had been nominated for the Federation Council, one exception being Tatarstan, where only two candidates had been nominated. At least three candidates must run for the two seats that are allotted to the region in the upper house of the Federal Assembly for the election to take place there.

A total of 493 candidates have been nominated for the Federation Council, of whom 93 have been registered. The district election committees have five days, until 24:00 November 19, following reception of signatures in support of the candidates to both houses, to check the documents and register or reject the nomination.

Out of the 1505 nominations to the State Duma 127 have been registered.

The nominations to the Federation Council include former speaker of the House of Nationalities of the disbanded Supreme Soviet of Russia Ramazan Abdulatipov, Presidents Ruslan Aushev of Ingushetia, Mikhail Nikolayev of Yakutia and Kirsan Ilyumzhinov of Kalmykia, Chairman of the North Ossetian Parliament Akhsarbek Galazov and former chairman of the disbanded Kemerovo Region Soviet Amangeldy Tuleyev.

Among candidates to the State Duma are former deputy chairman of the disbanded Supreme Soviet Yuriy Voronin, former speaker of the House of the Republic Valentin Agafonov, Vice-Premier Aleksandr Zaveryukha and others.

Comments on Gaydar's Krasnoyarsk Tour

MK1311133093 Moscow NEZAVISIMAYA GAZETA in Russian 13 Nov 93 p 1

[I. R. report: "What Was Gaydar in Krasnoyarsk?"]

[Text] According to Nikolay Ryabov, the Central Election Commission [CEC] will analyze the details of the promotional trip by First Vice Premier Yegor Gaydar (leader of the Russia's Choice bloc) to Krasnoyarsk. The statute on elections of deputies to the State Duma says that "participation of state and local self-government bodies in election canvassing in favor of or against candidates shall be prohibited." The CEC therefore is to appraise primarily the actions by the local authorities in organizing Mr. Gaydar's meeting, and also various public rallies and assemblies and so forth. Nikolay Ryabov said, however, that the CEC will not make any

overhasty conclusions and will necessarily invite a representative of Russia's Choice to its session to look into the question in what capacity Yegor Gaydar went to Krasnoyarsk—as first vice premier or as the bloc's leader.

Shakhray Backs Premier, Calls For Vote of Confidence

MK1311142093 Moscow SEGODNYA in Russian No. 78, 13 Nov 93 (Signed to press 12 Nov) p 2

[Vladimir Todres, Yelena Kolokoltseva report in the "Campaign" column: "Shakhray's Party Seeks To Preserve the Chernomyrdin Cabinet and Promotes 'Economic Federalism'"]

[Excerpts] On 11 November Vice Premier Sergey Shakhray again stated that his Party of Russian Unity and Accord [PRES] is determined to get not less than 20 percent of the votes on 12 December: "We are counting not on a particular social stratum but on all sensible people in the country to whom the notions of 'family,' 'property,' and 'stability' have some meaning." It is known that in none of the public opinion polls has the PRES' rating so far risen above 6 to 7 percent. Sergey Shakhray attributes this to the fact that the mass media "have backed only one horse" while "poll results often depend on how the question is formulated." [passage omitted]

"We are for stability. Viktor Chernomyrdin should remain premier. Russia's Choice has no chances of promoting Yegor Gaydar to this post," Shakhray explained. He believes that the incumbent government must immediately raise the question of confidence in itself, while "PRES will work to make sure that this vote of confidence is won."

Signs are that the "Shakhray party" has realized that its chances of forming a new "cabinet of winners" are dubious: It may prove to be more convenient for Russia's Choice to come to terms with the less ambitious supporters of Popov-Sobchak (whose results on 12 December will apparently be comparable with PRES' success). [passage omitted]

Meanwhile the party is not abandoning its efforts to woo the local elites. A key provision in its election platform is "economic federalism." [passage omitted]

Yavlinskiy Interviewed on Political Credo

PM1011140193 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9 Nov 93 p 3

[Interview with Grigoriy Yavlinskiy by Andrey Podkopalov and Irina Kondrashova; place and date not given: "I Have to Win Against Everyone!"]

[Text] The famous economist and politician Grigoriy Yavlinskiy believes that reforms should come from below, and foreign investments are more like a narcotic than a medicine.

[KOMSOMOLSKAYA PRAVDA] Why have you decided to go solo in the election campaign, and have formed your own bloc rather than entering an alliance with other democratic parties?

[Yavlinskiy] Reforms can only be successful if it proves possible to avoid a split in society and the country. Not to mention bloodshed. Unfortunately, yesterday's reformers, and they are also today's, do not consider this important. The very serious and ever deepening polarization of people according to income, according to access to power, and according to prospects, the artificial division of society purely into those who are "pro-Yeltsin" and those who are "anti-Yeltsin," the endless search for enemies and "revanchists," particularly when it is not clear to the leadership what to do in the political and economic sphere (and indeed the complete powerlessness when coming up against the real political extremists and criminals), flagrant populism in the form of vouchers and unrealizable promises—all this is a highly unattractive platform for unification.

It is only on the basis of the emergence of efficient owners, bosses, and numerous competitive markets that financial stabilization is possible. Our opponents are continuing to insist on the possibility of financial stabilization now. But they are conducting privatization in such a way that semi-state collective enterprises are emerging in the place of state enterprises.

Since it is impossible to privatize major enterprises quickly, you have to make relations with them absolutely clear. Enterprises like this should actually be separated from the state budget and subsidies. But while they, preparing for privatization, remain state property, the state is obliged to monitor the directors whom they appointed for this period for their professional suitability and readiness to carry out real privatization.

Second, I believe that it is impossible not only to effect financial stabilization, but also to control inflation if there are 10 central banks in other republics of the former USSR, which operate with the ruble without having any proper solutions concerning monetary, credit, and budget policy.

The third circumstance, and my fundamental conviction, is that reforms in Russia should come from below. Our economy has not just been damaged by central planning. That was how it was constructed and created. That is why the roots which we must reform are very deep.

This also concerns the privatization of elements of the social infrastructure and housing, the reorganization of enterprises, a fundamentally new local budgetary and financial policy, municipal loans, and the implementation of land reform with the local specific features taken

into account. We also believe that you have to restructure the entire budget system on the principles of federalism. The taxpayer should put money directly into a particular budget, so that it is not only clear to whom he has given his money, but also so that the budget itself is answerable to the taxpayer in terms of where the money has gone.

[KOMSOMOLSKAYA PRAVDA] How can we approach a real correlation between the dollar and the ruble?

[Yavlinskiy] We are proposing to introduce a "floating anchor" system. That is, the government says that because of objective reasons, the ruble rate will fall. But we will prevent a fall below a particular rate. This will make the situation predictable. But here we have to know when to stop: When we simply fixed the rate in the face of inflation last summer, the dollar started to fall. As a result, we received a serious blow to exports, while imports became advantageous. In our conditions this promotes an uncontrollable fall in production.

As far as questions of Western assistance are concerned, we believe that today any Western credits not connected with institutional transformations and the creation of a new infrastructure with subsequent investments will not play a positive role. It is obvious from last year's experience that foreign credits are more like a narcotic than a medicine.

[KOMSOMOLSKAYA PRAVDA] The experience of Nizhnyy Novgorod is now being talked about a lot. It appears that there has not been such a disastrous fall in the standard of living there. Have you really managed to achieve something?

[Yavlinskiy] This is in fact an attempt to carry out reform from below. Do you remember how much talk there was about the first municipal loan in Russia, which we prepared there? Our securities were called "Yavlinkas" and "Nemtsovkas." We recently received a report to the effect that people wait in line at four in the morning to get them. This means that confidence has emerged in the securities being issued by the authorities. And this is important because the attitude toward the authorities has always been one of: They will definitely deceive us anyway. And the authorities can channel the money obtained into the purchase of grain and petroleum, rather than asking for centralized credits. Another privatization scheme has been used as well in Nizhnyy Novgorod—the direct auction. We have recommended that major enterprises should not scatter the block of shares but attract a major investor. Otherwise the collective farm system awaits us again.

[KOMSOMOLSKAYA PRAVDA] If you are successfully elected to the Duma, will you have a real opportunity to influence the course of reforms?

[Yavlinskiy] Not straight away. It is important to state this right now. Theoretically speaking, in the new federal parliament I will be one of 700. There should be no confusion here—these are not elections for the president, they are not elections for the prime minister, they are just the beginnings of parliament. But there is a hope that if as a result of successful elections I manage to take a team with me into the Duma, a group of people who want to work and know how to, then a chance of influence will appear.

But by and large the question is at a different level today: In principle, to do everything you can to ensure that a normal parliament emerges in Russia. The point is that Russia has always been a country which has been ruled on the basis of force and fear. As soon as something befell this force, whether it was the czar, the general secretary, or the president, troubled times ensued. I think that the period of this type of rule in the country has ended. No one can govern Russia like this again. We are different people now.

There is only one other mechanism of government known to mankind—democracy. But the structure of democracy presupposes the presence of representative power—parliaments. As far as I know, there were seven: five were dispersed, and another one did not reach its full term. And only one worked through the set term. This tells us what kind of a tradition of parliamentarianism we have.

But nevertheless, in the face of the absence of this institution, the country can expect disintegration and ruin. Because there will no longer be any dictator who will keep it on course. But then the question arises: Who should create this parliament? In principle all our parliaments, which have always been in someone's pocket, have lived well. But they do not run the country, they do not make decisions.

[KOMSOMOLSKAYA PRAVDA] Are you not worried that the new parliament may turn out to be the same?

[Yavlinskiy] Yes, there is good reason to worry about this. For example, I did not suppose that my opponents would create a party-government bloc so openly. In addition, they have said that they can be in the parliament at the same time. Sixteen members of the top leadership are going to the elections. And the principle that governors can be elected [izbiratsya] to the upper chamber and government members to the lower chamber is well known to us all. It is impossible to arrive at the ends which are being declared by these methods. That is, once again the end is justifying the means.

I want to bring together the people for whom the means are just as important as the ends. These elections have so many shortcomings that we have a theme for a major special discussion. In short, these are elections which are being held by an authoritarian regime, with the aim of strengthening itself, and they are far from being democratic. But, given Yeltsin's position, I do not see any other way out today. We must create a parliament which is essentially of a constituent type. This is not even a parliament, but rather a constituent assembly. Its term

should be two years at most. All this is a real political process, and I am not inclined to hand it over to anyone, just like that.

[KOMSOMOLSKAYA PRAVDA] Many people see your participation in the elections to parliament as a preparation for the presidential elections. Do you intend to run for president?

[Yavlinskiy] Yes. I have realized that you cannot do anything by prompting. When you are just prompting, it never leads anywhere. But if you have specific convictions and confidence in your powers, then you have to ask people whether they are prepared to trust the leadership with the reforms, and if the answer is yes, then you have to assume responsibility and act. If the presidential elections are lawful and legitimate, then I will take part in them.

[KOMSOMOLSKAYA PRAVDA] In the night of 3-4 October, you were one of the people who called on the president to take resolute measures. Do you not regret this?

[Yavlinskiy] No. The shooting and capturing started on the side of the White House. I saw unarmed people standing at the Moscow City Soviet who were invited there by the helpless government. The authorities turned out to be unprepared for the events. Their irresponsibility put us into the clutches of chance for an entire 14 hours. It was necessary to act toughly and resolutely. There was no choice in the night of 3-4 October.

[KOMSOMOLSKAYA PRAVDA] In your opinion, did the president have the opportunity to avoid the bloodshed by agreeing to simultaneous early elections, for instance?

[Yavlinskiy] All the things that happened can be divided into a number of phases. The October events began in 1992 when the president stopped working with the parliament. For a whole year, in a period of complex reforms, he did not even try to take parliament with him. In the end Yeltsin recalled around 70 of his supporters from parliament. Clearly as a result of this, parliament degenerated.

The April referendum undoubtedly expressed support for the president and the reforms, but it did not say that parliament had to be closed down, so this was an instruction to the president to seek a way of reforming parliament. At least I can say that the president's actions in respect of the parliament were not aimed at finding a way of reforming the political system without taking revolutionary steps. The phrase to the effect that "I will close you down" was uttered after the April 1992 congress. Attempts of this kind were made both in December and in March, and there were also some strange vagaries at the spring 1993 congress. All this whipped up confrontation.

As a result of joint efforts, first of all by the parliament itself, but also by the president, by September the Supreme Soviet became completely unable to work. When 21 September came, all the extremist forces which exist in society gathered under the banner of the parliament. Furthermore, they stated that they were protecting the Constitution and the law. But if Rutskoy and Khasbulatov were professionally involved in politics, then they should have understood the importance of the forces to whom such symbols are given. For 10 days the special purpose militia detachment did not allow waitresses and typists into the White House, but various armed people and detachments kept on accumulating there. In the end everyone in the White House became their hostage and dialogue became impossible.

[KOMSOMOLSKAYA PRAVDA] People are now saying that "Russia's Choice" has seized the key positions in television and other mass media. How do you assess the state of democracy in our country in this respect?

[Yavlinskiy] We know what a party-government bloc is. There was the CPSU, for instance. Although I do not think that "Russia's Choice" will reach that scale, but the principles of the organization are similar. Imagine the opportunities at the disposal of the 16 government members: equipment, premises, automobiles, airplanes... I hope that at least they will not collect signatures together with their payslips. At the moment I personally have no particular problems with the mass media.

[KOMSOMOLSKAYA PRAVDA] Which of the leaders of the blocs which have announced themselves do you like the most?

[Yavlinskiy] Imagine that there is a football championship going on. I have to play against all the teams. But before the first match you ask me which of these teams I like best. I have to win against all of them!

Registration of Candidates in 13 Districts Completed

LD1211214093 Moscow ITAR-TASS in English 1322 GMT 12 Nov 93

[By ITAR-TASS correspondent Lyudmila Yermakova]

[Text] Moscow November 12 TASS—As many as 1,756 candidates from 13 election districts will compete for seats in the State Duma from parties and blocs, members of the Central Electoral Commission told reporters in the press club on Friday [12 November]. The news conference summed up the results of the initial stage of the election campaign: the nomination and registration of candidates to the lower chamber of new parliament on the federal list. Repeating the known data on the rating of parties in the election struggle, Aleksandr Ivanchenko, deputy chairman of the Central Electoral Commission, said the first round indicated the initial manifestation of the will of the people.

He told ITAR-TASS that political and public movements are being tested in the process of the political structuring of society and also check the organisation of their contacts with voters.

The nomination and registration of candidates to the State Duma from one-mandate districts are in full swing. As many as 225 seats on the State Duma is allotted to them. This procedure will be completed by November 19. Representatives of the Central Electoral Commission said that most of the candidates continue collecting voters' signatures in their support. As many as 44 candidates have already been registered.

The election campaign is on in two-mandate districts for election to the upper chamber of the Federal Assembly—the Council of the Federation. As many as 42 candidates have been registered, while 520 candidates wish to run for the Council of the Federation.

Nominations Continue

LD1311224193 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 13 Nov 93

[From the "Novosti" newscast]

[Excerpt] The nomination of candidates for the Federal Assembly, the Russian Federation's parliament, for single-seat and two-seat constituencies is continuing. According to information obtained today from the Central Electoral Commission, 1,727 candidates have been nominated and 107 candidates have been registered from the 88 regions.

In Moscow the collection of signatures in support of candidates for the upper chamber, the Federation Council, is continuing. The candidates have to collect 35,000 signatures, and the collection of signatures ends at midnight on 14 November.

Here's an interesting figure: to date more than one-third of candidates for the Federation Council are heads of administration, their deputies, or mayors of towns. [passage omitted]

'Closing Stage' Approaches

LD1411215793 Moscow ITAR-TASS in English 1959 GMT 14 Nov 93

[By ITAR-TASS correspsondent]

[Text] Moscow November 14 TASS—The process of nomination of candidates for a new Russian parliament, the Federal Assembly, has entered its closing stage. The candidates officially registered with the Central Electoral Commission will begin the election race.

Russian Foreign Minister Andrey Kozyrev will run for the Federal Assembly from the Russia's Choice bloc in the Murmansk electoral district. His rivals are young entrepreneur Yuriy Lysenko, former people's deputy of the Soviet Union Andrey Zolotkov and sociologist Valeriy Mararitsa. Two seats on the Federation Council, the parliament's upper chamber, will be contested in this district by president of the joint stock company "Arktik-Servis" Sergey Ievlev, former chairman of the regional council Yuriy Yevdokimov and senior official of the regional administration Lyudmila Pobedinskaya. As of 18:00 on Sunday, six candidates for the lower house (State Duma) and three candidates for the Federation Council were registered.

In Chita region, south-eastern Siberia, 16 people have managed to collect and submit to the electoral commission the required documents. The candidates will represent most diverse political forces, including the Russia's Choice bloc, the Russian Movement of Democratic Reforms, the Liberal Democratic Party, a few communist- oriented organizations. There are also some so-called independent candidates. The majority of contestants are top officials of the regional administration and council, officers of the presidential representative's staff, as well as major businessmen and entrepreneurs. The candidates also include one farmer and one journalist.

The registration of candidates for the Federal Assembly in the Irkutsk region has been completed. Four contenders are to compete for two seats on the parliament, including head of the regional administration Yuriy Nozhikov and chairman of the former regional council Viktor Ignatenko. Three candidates for the State Duma and five for the Federation Council were registered from the Ust-Ordyn Buryat autonomous district, including Russian Agriculture Minister Viktor Khlystun and Administration Head Aleksey Batagayev.

Elections to the State Duma in Khakassia, southern Siberia, may be disrupted, since one candidate only, head of the Presidential Committee for Legislative Initiatives Mikhail Mityukov, intends to run for the lower house from this district. At the same time, five contenders are going to run for the Federation Council, who represent the Russia's Choice bloc, the Civic Union and the Agrarian Party of Russia.

The Novgorod electoral commission has so far registered only one candidate, head of the Malovishery district administration Leonid Dyakonov. However, another seven candidates submitted the required signatures by Sunday night. Two seats on the Federation Council will be contested by four candidates, namely head of the regional administration Mikhail Prusak, the region's representative at the Russian president Yelena Kucherova, director general of the production amalgamation "Kvant" Aleksandr Tsvetkov and presidential representative in the Novgorod region Anatoliy Kuznetsov. Election officials do not rule out that some more candidates may submit their documents by Sunday midnight.

The first to collect the required 100,000 signatures in the two- seat Ulyanovsk electoral district on the Volga river were Regional Governor Yuriy Goryachev and director general of a joint-stock company Viktor Mikhailov,

Shortly afterwards, another three independent candidates for the Federation Council submitted their documents - City Mayor Sergey Yermakov, director general of a joint- stock company Pavel Lezhankin and the governor's representative in the Zavolzhsky district Yuriy Charikov. In addition to it, eight candidates to the State Duma were registered in two one-seat electoral districts.

In the Bryansk region, central Russia, three candidates for the Federation Council were registered, namely head of the regional administration Vladimir Karpov, the Russian president's representative in the region Vladimir Barabanov and head of the city's Sovetsky district administration Viktor Dakshe. Four candidates from this district are to run for the parliament's lower chamber.

In another central Russian region, the Tambov region, eleven candidates for the State Duma and seven candidates for the Federal Assembly have been registered. They include representatives of local authorities, intellectuals and the business community.

About 15 candidates are to contest two seats on the State Duma in the Volga republic of Chuvashia. The first to submit his list with voters' signatures was former deputy chairman of the former Russian parliament Valentin Agafonov. Running for the Federation Council from this electoral district will be head of the republic's government Valeryan Viktorov, speaker of the republic's parliament Eduard Kubarev, rector of the Chuvashian University Lev Kurakov, presidential representative Nikolay Zaitsev and leader of the local communist association Valentin Shurchanov.

Lipitskiy Collects Signatures for State Duma Nomination

LD1411165593 Moscow INTERFAX in English 1438 GMT 14 Nov 93

[Text] The chairman of the Civic Union executive committee Vasiliy Lipitskiy, nominated to the State Duma from the Novosibirsk Region, has collected the necessary number of signatures so that his candidature be in the ballot papers. He has collected about 8 thousand signatures, exceeding the minimum (5,195).

In an interview to Interfax Lipitskiy has said that if elected to the State Duma, he will form an alliance which will be in opposition to the present government and the president. He also said that the bloc must work on a constructive basis to prevent the set-back of the October developments in Moscow.

Lipitskiy says he does not back the draft new Constitution of Russia, because there is a hidden threat of the presidential dctatorship in it. He believes that it is necessaryy to adopt the Constitution since it is necessary to stabilize the economic and political situation in the country.

Group Claims Non-Communist Opposition Excluded

LD1211215193 Moscow INTERFAX in English 1916 GMT 12 Nov 93

[Text] The refusal by the Central Election Commission to register the all-federation lists of candidates to the deputies of the State Duma presented by the Russian All-Nation Union (leader Sergey Baburin) and several other opposition electoral associations "has at last shattered the myth on possibility of free and honest elections under conditions of a totalitarian regime," says the statement of the Russian All-Nation Union distributed on Friday [12 November].

The authors of the statement believe that "the campaign to nominate all federal lists and collect signatures was carried out with numerous violations of human rights and election associations on the part of authorities."

They believe that the "ruling regime" has deliberately "excluded the whole non-communist opposition from participation in the elections." The union believes that the aim of the authorities "is to persuade both its own citizens and the world community that there exists only a communist opposition to the regime in Russia" and "to place a false alternative in front of citizens—either the present regime or communist ideology."

Russian All-Nation union declared that this "would contribute to an escalation of crime-related activity in the nation, the heightening of civil confrontation and is the next move on the way to a full-scale civil war in Russia."

Baburin Obtains Necessary Signatures for Candidacy

LD1511132793 Moscow INTERFAX in English 1119 GMT 15 Nov 93

[Text] Supporters of Sergey Baburin, the leader of the Russian Pan-National Union (ROS), have submitted over 5400 signatures in his support to the Omsk, West Siberia, regional election commission. Baburin explained to Interfax Monday that more than the necessary number was submitted in the light of the experience in registering the ROS federal list. By the election regulations, at least 5000 signatures have to be collected in single-mandate districts for a candidate to the State Duma to be registered.

The ROS federal list was not registered by the Central Election Commission because more than 15 percent of the total number of signatures were collected in one Russian region. The statement ROS leaders made that 22,000 signatures had been stolen from its Moscow headquarters on November 5 was disregarded.

Baburin regretted that he would have to run against the leader of the regional Communist Party of the Russian

Federation branch. In his words, the branch had decided not to support any of the former Russian Federation's people's deputies.

Baburin recalled that in the 1990 election to the Russian Supreme Soviet he had run against the first secretary of the Soviet Communist Party's Omsk regional committee and won. At that time Baburin, the dean of the Omsk University School of Law, ran on the Democratic Russia list.

Russia's Choice Denies Partnership to Shakhray's Party

LD1211135893 Moscow ITAR-TASS in English 1243 GMT 12 Nov 93

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow November 12 TASS—The powerful "Russia's Choice" election bloc organised by First Deputy Prime Minister Yegor Gaydar ruled out the possibility of an alliance with another mighty election party of Russian Unity and Accord, created by Deputy Prime Minister Sergey Shakhray.

Leaders of the reformist Russia's Choice told reporters on Friday that Shakhray's party is a centrist bloc, while they see the Russian Movement of Democratic Reforms and the moderate reformist Yavlinskiy-Boldyrev-Lukin bloc as their possible allies.

Shakhray's party is close to the centrist "Civic Union" and the Democratic Party of Russia, according to Arkadiy Murashev, a leading member of the Russia's Choice.

He added that many regional candidates of the Shakhray's party do not suit his bloc.

The Russia's Choice leaders are against labelling them as a "pro- government association". Sergey Yushchenkov, the secretary of the bloc, asked reporters to refrain from sticking such a label to the bloc because it harms the Russia's Choice as people begin to expect too much from it and lay multiple claims to it.

The Russia's Choice urged all election blocs to "lay the basis of an efficient and authoritative representative authority as a guarantor of peace, stability, order and lawfulness in the country" and to create a commission which would draft the basics of future parliamentary work.

"We have to promote the creation in society of an atmosphere of accord and mutual understanding", said Gennadiy Burbulis, chief campaigner of the bloc. "Ideological differences will not disappear, political struggle will continue, but we want it to acquire normal, lawful parliamentary forms", he added.

Volskiy Bloc Outlines Program, Supports Chernomyrdin

LD1311090693

[Editorial Report] Moscow Ostankino Television First Channel Network in Russian 1850 GMT on 12 November broadcasts a 30-minute program entitled "Word to the Voter," during which the leaders of a political bloc discuss their election campaign. This replaces the scheduled "Person of the week" program.

The Civic Union For Stability, Justice and Progress election bloc present a program of the bloc's strategy to be employed during the election campaign. The bloc's members are mainly industrialists, entrepreneurs, scientists, public figures, and artists. Arkadiy Volskiy, the leader of the election bloc, Professor Sergey Rogov, and Albert Yakovlev, president of the Russian Union of Builders, take part in the discussion.

Arkadiy Volskiy says that this is the first program of its kind and they will speak about their strategy in detail in the near future. The program participants go on to deal mainly with the Russian economy and what their election bloc will do to bring Russia out of the crisis.

Professor Rogov explains to the voters that their bloc has been named—for stability, justice, and progress—because they want stability in the country, justice for everybody, and progress in Russia. Albert Yakovlev talks about the problems of housing in Russia and what should be done to solve these problems. He says that Russia needs large investments in construction and credits.

In conclusion Arkadiy Volskiy thanks everybody who has listened to them, and adds that their bloc will support Viktor Chernomyrdin instead of Yegor Gaydar. Yegor Gaydar wants to use Western economic models which, Arkadiy Volskiy believes, are not suitable for Russia. We need order, but order based on laws and democracy, he says.

Communists Divide Over Elections, Zyuganov Seeks Coalition

MK1311141093 Moscow SEGODNYA in Russian No. 78, 13 Nov 93 (Signed to press 12 Nov) p 1

[Dmitriy Kuznets report: "Communists Fail To Reach Accord"]

[Text] The question about participation in the elections has put the already not particularly monolithic communist movement on the verge of a split. The leaders of the banned organizations of this orientation have called on their supporters to boycott the elections, whereas Gennadiy Zyuganov's Russia Federation Communist Party presented its own list of candidates. The radicals accused Zyuganov of "social democratism" whose signs are "backsliding from communist positions" and "conciliation" with the authorities. According to the parties that are out of grace, by taking part in the elections the

opposition legalizes them and therefore recognizes Boris Yeltsin's victory. Gennadiy Zyuganov, on the contrary, believes that only by taking part in the elections and attempting to "defeat" the draft constitution can communists continue their fight with the president.

To preserve the unity of the opposition electorate Zyuganov is ready to start talks with the ultra-communists and settle all disagreements, and also to continue consultations with the "national patriotic" organizations which have not collected 100,000 signatures in their support (primarily Sergey Baburin's Russian All-People's Party, Victor Aksyuchits' Russian Christian Democratic Party, and Mikhail Astafyev's Constitutional Democratic Party). The subject of the negotiations with be coordination of actions in single-seat constituencies.

Russia's Choice Seeks Cooperation With Other Parties

LD1311233193 Moscow Radio Rossii Network in Russian 2000 GMT 13 Nov 93

[Text] The Russia's Choice bloc has suggested cooperation to 12 parties and electoral associations. As INTERFAX reports, Yegor Gaydar sent a letter with such a proposal to the leaders of the associations which have been allowed to take part in the election campaign. The document proposes, in particular, that initially working groups of two or three representatives from each association be formed which wouldhold consult with each other on a continual basis. It is noted that this and several other steps would promote constructive cooperation between representatives of the fractions of the future Russian parliament.

Leads in Campaign

LD1511095793 Moscow Ostankino Television First Channel Network in Russian 0600 GMT 15 Nov 93

[Excerpt] [passage omitted] The 13 parties, blocs, and movements which registered earlier have already started their electioneering. An opinion poll shows the following layout of party forces: The Russia's Choice bloc has 12 percent of votes; Grigoriy Yavlinskiy's bloc 11 percent; and the Communist Party of the Russian Federation has 7 percent. Their leaders, Gaydar, Yavlinskiy, and Zyuganov follow closely behind each other in accordance with places occupied by their movements.

Parties Contest Seats in 35-Member Moscow City Duma

MK1311134093 Moscow NEZAVISIMAYA GAZETA in Russian 13 Nov 93 p 2

[Aleksey Kalmykov report in the "Moscow" column: "The Duma Will Not Be a Second Mossovet. Another Role Is in Store for It"]

[Text] As of now, four election blocs sponsoring candidates in all of the capital's 35 constituencies have applied to the Moscow City Election Commission on Elections of Deputies to the City Duma. Preliminary lists have been presented by the Russia's Choice bloc; the Citizens for People's Power bloc, uniting the Moscow branches of the Constitutional Democratic Party, the Russian Federation Republican Party, and the Union of Moscow Ecological Organizations; the Moscow Civic Union bloc, incorporating the regional branch of the Free Russia National Party and a youth movement supporting this party; the Ecology and Self-Government bloc, represented by the Green Party's Moscow branch and the Novyye Doma [New Buildings] Foundation for the Development of Territorial and Local Self-Government. The Islamic Democratic Party, which is not affiliated with any of the associations, has fielded its candidates in 25 constituencies and, just like the abovementioned blocs, is to collect the signatures of 30,000 Muscovites in support of its list. Signature collection officially ends 30 days prior to elections—in other words, on 12 November—and registration papers are to be presented to district commissions before 2000 on 15 November.

The Moscow City Duma—a standing representative state power body in the capital—is elected to a two-year term and consists of 35 deputies. The Duma adopts city legislative acts but the mayor has an effective veto right, and therefore it is unlikely to expect confrontation between the future Duma and the government headed by Premier Yuriy Luzhkov, as was the case in the days of Mossovet. Already now the Moscow government is drafting some unpopular measures to be submitted to the Duma for approval. One of the first questions to be considered by the new representative power body is on raising housing rent in the capital.

Party Leaders Cited on Social Policy, Land

PM1511101593 Moscow ROSSIYSKIYE VESTI in Russian 12 Nov 93 p 1

[Editorial feature: "What the Blocs and Parties Are Promising Us"]

[Text] The programs of the political blocs and parties competing for deputies' seats in the State Duma are unfamiliar to the majority of the population. In a desire to help our readers understand what the potential future deputies are promising the people the editorial office asked some of them to answer the following two questions:

1. What is your social program?

2. What is your attitude to the private ownership of land?

Doctor of Sciences Nikolay Kulikov, deputy chairman of the People's Freedom Party (Constitutional Democratic Party) and a theoretical physicist.

1. The economic reform should not lead to a long-term lowering of the people's living standard. If that happens it means that the reform itself or the methods of implementing it need to be reviewed. Our party supports a

program of universal free education plus private educational structures as an adjunct to the main system.

2. The People's Freedom Party opposes the private ownership of land. If land becomes a commodity you will not even need to use it to become rich. Land speculation will suffice. It is necessary to create a taxation system which would prevent the land from becoming a dead weight. It must work and bring income both the entrepreneur and the state.

Aleksandr Vladislavlev, leader of the "Renewal" Union-the bloc "Civic Union For Stability, Justice, and Progress."

1. Market transformations must be carried out in the interests of citizens and not a handful of crooks. Taxes on superprofits must be raised and taxes for the producers of goods and services must be lowered, while for underprivileged citizens, veterans, and invalids they must be abolished altogether. State subsidies for prime necessities must be targeted on consumers, not producers.

Civic Union wants the priority to be housing construction, the subsidizing of which will revive the whole economy, resolve social problems, and give the citizen a free choice: Either to buy his own home or rent it anywhere in Russia.

2. The bloc considers the introduction of the private ownership of land both necessary and timely and will strive to ensure that the tax system and other levers of state management encourage the efficient use of agricultural land by land owners.

Mikhail Lapshin, chairman of the Agrarian Party of Russia.

1. In the social sphere the agrarians want prime necessities (bread, milk, and meat) to be accessible to all strata of the population. To that end it is proposed within reasonable limits to subsidize the commodity producer and assist the needy sections of the population.

It is necessary to ensure that meat and milk production is profitable.

Pension supplements will not resolve the problems of the needy strata of the population. Just look at the prices in the stores! Thus it is necessary to seek ways to improve the life of our old people.

2. The party recognizes private ownership of land but with reservations. This form of ownership must not prevail over others. In addition, the buying and selling of land must be strictly regulated by law. The Agrarian Party wants land to pass from peasant to peasant and farmland to be used for its proper purpose, not for the building of houses and cottages.

Alevtina Fedulova, chairman of the Union of Women of Russia-"Women of Russia" political movement electoral association.

1. In the social sphere the association advocates a sensible combination of the satisfaction of the population's needs from [za scheta] the state budget and the development of the network of paid services.

The movement's priorities are:

—the accessibility of free, high-quality education and medical assistance for all sections of the population in addition to paid provision;

—a differentiated state family policy and the creation of the economic and legal conditions to ensure a decent family life based on labor;

—the priority of the interests of the child;

—guaranteed support for members of the family unfit for work including pensioners and invalids, and also for underprivileged families with one breadwinner, young families, student families, large families, the elderly, foster families, and families with invalids;

—the preservation of the state system of preschool and extramural children's establishments with guaranteed access for every family in conjunction with the development of the forms of children's paid education.

When planning the state policy with regard to the population's incomes it is necessary to proceed not only from the physiological subsistence minimum but also to include in the basket of consumer goods the use by citizens, including pensioners, of such consumer services as laundries, dry cleaners, and so forth. This can be achieved by the regulation of taxation policy and its prompt adjustment.

2. The movement supports the right to the private ownership of land but opposes its sale.

Aleksandr Kerimov, the "Free Russia" People's Party-the bloc "Russia's Future—new names".

1. If we are elected our priority will be social policy. We radically disagree with the ultraliberal policy in the socioeconomic sphere as pursued by Yegor Timurovich Gaydar.

Undoubtedly the bloc stands for the market economy but entry to the market must be carried out gradually and not regardless of cost. We will not accept a situation in which vast masses of people are left below the poverty line.

In the transitional period the state is obliged to take care of those sections of society which for objective reasons cannot adapt quickly and painlessly to the new social conditions. I am talking about workers in the budget-funded sphere—doctors, teachers, scientists, and young students and of course pensioners. As in all civilized countries, the pension, in our view, should be 60-80 percent of the present wage for the corresponding work.

Where is the money to come from?

If production begins working there will be money for the social sphere. Therefore, first, it is necessary to immediately create a rational and just system of taxation and ensure that it is observed. This tax system must stimulate production and philanthropy. Second, it is necessary to reduce the cost of maintaining state functionaries and consequently to reduce the state apparatus itself which now exceeds the former union apparatus in size. Finally, it is necessary to optimize the conditions of investment, both domestic and foreign, in production. In addition, it is necessary to encourage support for the social sphere not by state structures but by private structures—it is necessary to create the conditions in which it will be beneficial for them to invest money here.

2. We consider that private ownership of land is necessary. But there must be certain restrictions—with regard to its use and its acquisition by foreign citizens.

Our Commentary

A snap poll conducted by the ROSSIYSKIYE VESTI editorial office among certain political parties and blocs contending for deputies' seats in the new parliament has produced some quite interesting results. It transpires that with regard to our questions, particularly question one, some gave no answer, others stated that their program is still being formulated, while yet others presented as their programs arguments which were not entirely comprehensible and which reeked of populism.

However, social policy is the cornerstone on which the parties' and blocs' election propaganda and campaigning should be based. This is because the ordinary voters have little or no interest in the contenders' political views and ambitions: Strictly speaking, it is all the same to them what the parties want to build, be it real socialism or capitalism with a human face. They want a clear answer to the question: Is any given party going to do anything to improve their lives, if so how, and what economic and political means are they going to use to implement their social program if they have one?

Well, it turned out that the majority of parties and blocs have no clear social programs, and what they are passing off as a program is pure populism.

To some extent the vagueness and imprecision of the programs of some of the contenders for parliamentary seats can be attributed to the fact that the multiparty system in our country is still in its infancy and a number of political parties are still at the incubation stage. Furthermore, the elections to the new parliament have caught them off balance. But if someone is motivated solely by personal ambition would it not be nobler to stand aside and not try to pull the wool over people's eyes?

Air Time for Election Campaign Designated

LD1211235393 Moscow INTERFAX in English 1743 GMT 12 Nov 93

[Text] At its meeting Friday, the Central Election Commission, attended by representatives of the information court of arbitration, electoral alliances and state radio and TV companies, discussed time on the air for parties and alliances to conduct free election campaign. It is planned that Ostankino will provide, November 21-December 10, prime time (19:45 to 20:45) on week days, while the Russian Channel will offer time from 18:45 to 19:45. The programs will be broadcast live, and repeated in the morning. Taking part in the meeting were 11 out 13 registered alliances, apart from the Democratic Party of Russia and the Agrarian Union.

Court Says Election Ad Fees 'Too High'

LD1311085293 Moscow ITAR-TASS in English 2010 GMT 12 Nov 93

[By ITAR-TASS correspondent Igor Belskiy]

[Text] Moscow November 12 TASS— A court of arbitration for media issues has ruled that fees charged for a television canvassing campaign are too high and that they should be reduced to give electoral blocs and candidates equal access to the electronic mass media.

An agreement has been reached to introduce a clear-cut system of charges for time on the air taking into account concrete services provided by television companies.

The court has decided to urgently work out measures to pay compensation to non-state commercial companies to make up for the difference in charges during the election campaign.

Proposals made by the court of arbitration will be submitted to the Russian Government.

Election Costs Mount as Regions Remain Strapped for Cash

MK1211123393 Moscow OBSHCHAYA GAZETA in Russian No. 17/19, 12-18 Nov 93 (Signed to print 11 Nov) p 2

[Aleksey Frolov report under the "Elections" rubric: "Money Sent by Slow Boat"]

[Text] Political parties and blocs have wound up collecting signatures in support of their candidates for the State Duma. Many regions, however, have not received the promised money to pay for the election campaign.

Kuzbass is past hoping to receive 1.3 billion rubles [R] set aside for it from the federal budget. Leningrad Oblast has not received 3.5 billion. Cheboksary, 260 million. Money is awaited in Sakhalin, Buryatia, Bryansk, and Kursk. The charges keep mounting: One has to pay for the printing of election papers, making rubber stamps,

the use of transportation, for work in electoral commissions. Left without money, electoral commissions are obliged to dip into local budgets. This, when in Cheboksary, for example, there will soon be no money to pay for children's meals because the unpaid debts for school lunches to the public catering establishments run into R20 million.

The estimated cost of the State Duma elections is nearly R170 billion. The government of Russia, however, has found it possible to set aside only 95 billion, which the Central Electoral Commission has shared out to regional electoral organizations. The money shall be transmitted directly to the accounts of regional administrations by the Central Bank. According to Revomir Garmayev, member of the financing group of the Central Electoral Commission, the payment orders were handed over to the Central Bank back on 1 November, but that is the way our bank operates....

In the meantime, the president of Russia has approved a new cost schedule. To be appropriated for the holding of the referendum on the draft constitution of the Russian Federation is R82.748 billion.

Election Commission Issues Campaign Funding Rules

LD1211234793 Moscow INTERFAX in English 1743 GMT 12 Nov 93

[Text] Election associations which have registered their federal lists of candidates for the deputies in the State Duma in the Central Election Commission have been granted the right to open temporary accounts in banks to form their election funds. Monetary funds can be placed on accounts only in rubles and transfer of foreign currency has been prohibited, says an instructive letter of the Central Election Commission agreed with the Finance Ministry, Central Bank, Saving Bank, and Justice Ministry.

The letter indicates that election funds of parties and blocs and separate candidates can be drawn from their own funds, funds allocated to the election associations and candidates to wage the pre-election campaign by the Central Election Commission, and donations granted by individuals and corporate bodies. Any donations from foreign states and firms, Russian cooperations with foreign participation, international organizations, and donations on the part of Russian state and local government bodies are prohibited.

The sum of donations to the fund of one candidate from an individual cannot exceed 20 times the minimum wage, and 30 times the fund of an election association. Donations from a corporate body cannot be more than 200 and 20,000 times more respectively.

Financial accounts of separate candidates or pre-election associations are to be closed at 8:00 of December 11. Owners of accounts are to report about expending of monetary funds to the Central Election Commission not later than 25 days after the official results of the elections are announced.

Concern Voiced Over Funding of Election Preparations

LD1511103993 Moscow ITAR-TASS World Service in Russian 0855 GMT 15 Nov 93

[By ITAR-TASS correspondent Ivan Novikov]

[Text] Moscow, 15 Nov—The Central Electoral Commission is expressing concern that the Russian Ministry of Finance is delaying without justification its financial support for the preparation and holding of the elections to the Federal Assembly and the referendum on the new draft constitution.

Constituency electoral commissions have so far received only 120 billion of the 170 billion rubles [R] allocated for the elections, Valeriy Bagin, the Central Electoral Commission member responsible for financing the elections, told an ITAR-TASS correspondent today. He said that the regions have not received a single kopek of the amount earmarked for spending on the referendum - and that amount is no less than R82.7 billion.

"The Ministry of Finance has one answer to our question about the missing billions: the money will be granted as soon as it appears in the state coffers," Valeriy Bagin observed. "Of course, this stance adopted by the financial authorities suits neither the Central Electoral Commission, nor the local administrations, which have been put in a difficult position, because they are having to find the missing amounts for the election campaign from their own budgets, which are already exhausted," he stressed.

In Valeriy Bagin's opinion, the situation surrounding the financing of the elections and the referendum requires urgent government intervention.

Election Campaign Center Opens in Moscow

LD1311223293 Moscow Mayak Radio Network in Russian 1500 GMT 13 Nov 93

[Text] A public and political center for electoral preparations has opened in Moscow. It is to guarantee equal opportunities for blocs and parties in the election marathon.

Media Issues

Deputy Press Minister on Fate of Banned Newspapers

LD1311094693 Moscow Russian Television Network in Russian 2000 GMT 12 Nov 93

[By M. Tumanova, including recorded interview with David Tsabriya, deputy Russian minister for press and information, in his office; date not given; from the "Vesti" newscast]

[Text] The Ministry for Press and Information has taken on the role of revolutionary tribune. It intends to mete out rough justice to inconvenient newspapers without proper court proceedings and investigation. Today this applies to the 11 pro-fascist newspapers. Who's turn will it be next? These kind of worries have been voiced in IZVESTIYA.

The Vesti film crew told David Tsabriya, first deputy minister for press and information, in his office that it is undemocratic to do such a thing without a trial. The press is worried after a news conference that he held.

[Tsabriya] I know my words about the simplified procedure have caused concern. They produced the impression that it would not involve court procedure. This is completely untrue. I would like to officially state in a fully responsible way that we do not imagine an investigation into the liability of the mass media without involving the courts. That cannot be allowed to happen and nobody will allow it to happen.

[Tumanova] The fate of the extremist opposition newspapers will be decided by the general procuracy. It has all the necessary documents, David Tsabriya noted.

TV, Radio Programs Archive Chief Arrested

PM1211145393 Moscow KOMSOMOLSKAYA PRAVDA in Russian 11 Nov 93 p 1

[Svetlana Shaydakova report: "Following Someone Else's Lead. Scandal Surrounding State Television and Radio Programs Archive Erupts With Renewed Force: Director Caught Redhanded Receiving $5,000 Bribe"]

[Text] The judicial wranglings over the contract signed some time ago by the leadership of "Ostankino," the State Television and Radio Programs Archive, and the U.S. corporation "USSU" have been going on not just for days, but actually for months. For example, court hearings into the corporation's "defamation" suit against Mr. Petrov, a world-famous musician, has been going on for about six months—Petrov's property has been sequestrated since October and the hearings have been suspended for the time being. And now there is a new scandal, involving Yu. Kornilov, general director of the "Ostankino" State Television and Radio Program Archives.

It is hard to say how "Ostankino" itself is involved with Kornilov, or, for that matter, with "USSU." Whereas the television and radio programs archive was at one time the television company's daughter organization, now it is a completely autonomous juridical entity. However, the signature of the television company's leader is on the contract and, to all appearances, Bragin himself should appoint someone else in place of the arrested director, I was told by Anatoliy Fedorovich Zakatov, Kornilov's current deputy.

Incidentally, not only the television company's top brass, but also officers of the Internal Affairs Main Administration are gnawed by doubts over the elements of the crime with which Kornilov has been charged. One story circulating along the corridors of Petrovka 38 has it that the "USSU" Corporation had for a long time failed to pay money which it owed to the television and radio programs archive under the contract, and the ill-starred $5000 which Kornilov demanded from the Americans was only a repayment of the debt. Yuriy Kornilov himself is currently being held in the Petrovka detention center and awaiting the conclusion of the investigation—so far without a defense attorney; Genrikh Padva has for some reason refused to defend him. Although the investigators are, as usual, swamped with cases, all the signs suggest that the investigation into Kornilov's case will end next week. But only the court will decide whether there was a bribe or not. Also whether it was one of many—today the Moscow Internal Affairs Main Administration Department for Combatting Organized Crime is refusing to give away secrets.

Contrasting Views Presented on Closure of DEN

PM1211151593 Moscow KOMSOMOLSKAYA PRAVDA in Russian 12 Nov 93 p 5

[Articles by Andrey Podkopalov and Stas Stremidlovskiy under the general heading "Should DEN Be Closed Down?"]

[Text] [Podkopalov article] By closing down DEN, that most evil opposition newspaper, the authorities acted badly and unwisely. If such a publication did not exist, one would have to be invented and organized—who is going to do that now, the Security Ministry perhaps?

It is not even a question of some high-flown principles of democracy and pluralism there—it is quite simply advantageous beneficial to the very powers that be...

It would be naive to think that by depriving DEN's 150,000 readers of their customary "spiritual" sustenance you can transform them into vegetarians and make them love the president. A deeply suppressed mania leads to paranoia. Hatred for B. Yeltsin should be articulated—then it becomes less dangerous. (It is no coincidence that Japanese firms have stress reduction areas where employs can pummel a rubber image of the boss to their heart's content).

The existence of DEN was extremely useful to the authorities for another reason—like moths to a flame all the dissidents flocked around the newspaper and thus gave themselves away. Recently, for example, V. Kostin, director of the Voronezh defense plant, was sacked without explanation. Who would have known about the disloyalty of this unrepentant communist but for his jottings in DEN?

In addition, the publication of secret protocols and documents from the president's desk (what about the conversation with G. Bush) gave a clear signal of the

existence of enemy agents in the president's entourage. Recently S. Filatov boasted that all the sources of the information leak had been sealed. Without DEN, what would they have to quietly grumble about there?

So I think that DEN really must be opened—and the sooner the better.

[Stremidlovskiy article]

Well try as a I may I cannot in practice remain completely loyal to my principles. Ultimately a time comes when principles must either be observed or they must be sacrificed for the sake of a human life. Not even your own but someone else's.

The authorities seemed to be acting undemocratically, badly, and from fear when they closed down DEN, but I have a counter question here: Was there another solution with regard to a newspaper which, issue after issue, called the Russian Government and president forces of occupation? Are DEN's staffers some kind of guerrillas then? You do not hold discussions with guerrillas.

By its unconcealed hatred for a part (the larger part, let us note) of a society which is committed to the course of reforms and by its insulting hysterics, DEN intensified the general opposition within the country. The pretext that the opponents of democracy need somewhere to unburden themselves psychologically by reading the "newspaper of the spiritual opposition" is a false one. Whose peace of mind is more valuable to us—that of millions of democratically minded Russians or the "intellectual" opposition calling for the wielding of the axe?

The authorities' actions, of course, were not motivated by excessive strength or self-confidence. DEN was the very place where the opposition could exchange information, plan joint events, and coordinate their attacks. After the closure they were left with no center for their intrigues. There is nothing to fear there. Remember what the dissidents managed to achieve in their underground lairs before Gorbachev let them out onto the public squares—nothing.

So the authorities took an enforced but correct step when they deprived the intransigent opposition of DEN. When they become stronger they will allow it to open again.

SOVETSKAYA ROSSIYA Editor Hopes To Resume Publication

LD1211231093 Moscow INTERFAX in English 1743 GMT 12 Nov 93

[Text] Publication of the opposition newspaper SOVETSKAYA ROSSIYA, which was closed after the October events in Moscow, will possibly be resumed next week, the newspaper's Chief Editor Valentin Chikin reported in response to Interfax at a press conference on Friday [12 November].

Chikin said that on Thursday he met with first deputy Press and Information Minister David Tsabriya and discussed "various options for compromise decisions" with him.

At the same time Chikin underlined that the changing of the title and replacement to chief editor, as the authorities demand, are "unacceptable to the working staff" of Sovetskaya Rossiya.

Chikin, who runs for the State Duma on the federal lists of Russia's Communist Party, declared earlier that he would leave his post only if he is elected to the Federal Assembly.

Military & Space Issues

Text of Yeltsin Militia Day Greetings

PM1011143193 Moscow ROSSIYSKAYA GAZETA in Russian 10 Nov 93 Single Edition p 1

[Message from Boris Yeltsin: "To Staff Members of Russian Federation Internal Affairs Organs"]

[Text] I cordially congratulate personnel and veterans of the Russian Federation's internal affairs organs on their professional holiday—Russian Militia Day.

Your difficult and dangerous work is extremely necessary. You are always at your post, always standing guard over the peaceful life of people in all cities large and small and in every population center in Russia. The role of the law enforcement agencies today is greater than ever before. The economic transformations and the creation of a rule-of-law democratic state are impossible without safeguarding Russians' lawful rights and security, the resolute eradication of crime, and the stabilization of the whole situation in the country.

The recent tragic events in Moscow were the most serious test of the civic maturity of internal affairs organs' personnel and internal troops of the Russian Federation. The whole world witnessed your direct participation in thwarting the attempt by a handful of politickers to plunge Russia into the abyss of civil war.

I am confident that militia personnel will mobilize all their efforts, ability, and professional skill in the fight against crime and that you will remain faithful to your civic duty and oath and dedicated to your fatherland until the end.

I wish you good health and success in your noble work of strengthening law and order.

[Signed] B. Yeltsin
[Dated] 10 November 1993

Article on Yeltsin Support for Defense Industry

MK1011105093 Moscow KOMMERSANT-DAILY in Russian 10 Nov 93 p 3

[Report by Sergey Viktorov under "The President Supports the Defense Industry" rubric: "Defense Complex Maintains Its Special Status"]

[Excerpts] The Russian Government has actually given up the idea of a market restructuring of the defense sectors. This much is clear from Boris Yeltsin's edict "On Stabilizing the Economic Situation of Defense Industry Enterprises and Organizations and On Measures To Ensure the State Defense Order," which was officially circulated yesterday. Therefore, as KOMMERSANT-DAILY predicted earlier, the military industrial complex has finally managed to use the political situation to convince the government about the impossibility of market-based reformation of defense production.

The main slogan of economic reform has up until recently been the scaling down of defense production and the restructuring of the military industrial complex, which is perfectly natural since the state, amid a financial crisis, could not afford to sustain defense spending at its previous levels. Nonetheless the attempts by the authorities to reform the defense complex through forced closure of enterprises, conversion of defense production facilities, and "enhancing economic efficiency" of the remaining arms producers from the start evoked a skeptical reaction from many specialists, not to mention the obvious counteraction on the part of military industrial complex representatives. [passage omitted]

In this context the presidential edict just out only shows that the Russian authorities have in fact decided to abandon the attempts of reforming the military industrial complex along market lines, admitting the nonmarket "production specifics" of the defense sectors. It is not accidental that the document in some way or another reflects all the requirements made recently by defense enterprise directors. In particular, under the edict, arms producers will be receiving advance payments of up to 20 percent of the annual volume of budget arms procurement appropriations (true, defense enterprise directors asked for 30 percent). Moreover, the edict records the right of military industrial complex enterprises to include labor costs into production costs in an amount of up to eight times the minimum wage per worker (and not four, as is the case with respect to all other enterprises)—military industrial complex leaders insisted on this right during negotiations with First Prime Minister Vladimir Shumeyko last spring.

Quite obviously, a key role in such a turnabout of economic policy has been played by the current political situation: In an effort to win the support of the defense enterprise director corps and the army, the government has just deemed it prudent to recognize the "economic specifics of the defense sectors."

Defense Industry Expert on Yeltsin Edict

LD1111111593 Moscow Mayak Radio Network in Russian 2200 GMT 10 Nov 93

[Excerpts] An edict of the Russian president on stabilizing the economic situation of enterprises and organizations involved in the defense industry has been published. Needless to say, this document is very important and some media have already commented on it. We have decided to act differently, giving the floor first of all to the people who drew up this edict. Our observer Vladimir Pasko has spoken to Sergey Sidorkov, head of the defense complex and conversion department of the Russian Federation Government. Here is a recording of their conversation.

[Begin recording] [Pasko] Sergey Sergeyevich, first I would like to ask you, as someone who was directly involved in preparing the edict, about your opinion of the situation in the military industry.

[Sidorkov] The situation there is very difficult. Why is that? Because the entire national economy is living under very difficult conditions today. I think that if our system of national economy were stable and normal today, then there would be exactly 10 times fewer problems of the kind we are now speaking about, the problems of conversion.

[Pasko] By the way, talking about conversion—many people think that conversion is to blame for everything. Is this really so, and what state is conversion in?

[Sidorkov] You know, the word conversion has become something of a byword. Russia has never had any conversion and now this conversion is not going anywhere because conversion is a planned process and we started it all of a sudden. Simply on an instruction from above, the output of the defense industry was reduced by nearly 10 percent. This is not a conversion; it is nothing but a collapse. I repeat, if this had not happened in the conditions when all normal ties are broken, we would have been able to cope with this process. Now, it is not conversion that is to blame for the process we are undergoing, but the fact that all ties which used to exist in the Soviet Union have disintegrated, the finance and credit system has disintegrated. This has created the conditions which resulted in this disastrous situation everywhere, including the defense complex enterprises.

[Pasko] Sergey Sergeyevich, let me ask you then was the cutting down of military production really needed?

[Sidorkov] Of course it was needed, because people in the whole world have understood that it is senseless to continue this unjustified and unbalanced arms race. [passage omitted]

[Pasko] Now let us talk about the edict. What would you point out as the main thing in the document?

[Sidorkov] The main thing is that, however belatedly, we are still making it possible for defense enterprises to

operate under the same conditions as other enterprises. [passage omitted] We used to have very limited profitability levels determined by the prices on our products. We could not build into them expenses on the social sphere, aimed at improving conditions for our workforce. [passage omitted]

Second, and more important, I think that this edict has unequivocally confirmed the standpoint of the president and the government; that is, credits for conversion on preferential terms issued to enterprises in 1992 and 1993 will continue until all the programs are completed. [passage omitted] This edict provides a foundation for more specialized work aiming to bring back into operation those enterprises which produce goods for state needs. [end recording]

Strategic Exercises Involve All Branches of Military

PM1011150593 Moscow Russian Television Network in Russian 2000 GMT 6 Nov 93

[By I. Krondo and V. Kuzmin; from the "Vesti" newscast]

[Text] [Krondo over video of missile launchers] A large-scale command and staff strategic exercise involving all branches and categories of troops was held in the Russian Armed Forces. As Russia's Defense Minister Army General Pavel Grachev noted, we had to look at what Russia's Armed Forces can do and how we intend to conduct offensives with due consideration for the new geopolitical situation. At the closing stage of the exercise, the question of deploying aviation in coordination with other branches of the Armed Forces in contemporary combat operations was rehearsed.

[P. Deynekin, commander in chief of the Air Force] By far the most complex aspect which we rehearsed during the exercise was that of coordination, and the exercise showed that we are on the right track.

Cosmonauts Describe Activities Aboard Mir

LD1311212093 Moscow Ostankino Television First Channel Network in Russian 0755 GMT 13 Nov 93

[From the "Aerospace Salon" program]

[Excerpts] The Mir station has beaten all records for staying in space. It was commissioned on 20 February 1986. Various technological modules have been attached to it. The most fantastic constructions grew all over the station before it took on its current appearance. Both our and foreign expeditions have worked on Mir. 13 based there and many others visiting. The number of scientific and practical experiments carried out on Mir has already reached four figures.

The station has happily survived all the political squabbles, despite the fact that they have noticeably prejudiced the prestige of Russian cosmonautics. With all our earthly concerns, even we forgot what unique equipment has been in orbit all these years. We forgot that our countrymen are living and working there, the members of No. 14 base expedition, Vasiliy Tsibliyev and Aleksandr Serebrov.

[Video shows internal and external views of Mir, views of Earth from Mir, Flight Control Center with display showing date as 27 October]

[Program presenter Galkin] So why have you been up there so long? What is it you are doing that we on Earth need so badly?

[Serebrov] Well, we earn money of course, everybody needs to do that.

[Galkin] So have you earned much?

[Serebrov] Us?

[Galkin] Yes.

[Serebrov] So far our international flights are recouping the entire expenses of maintaining the [word indistinct] station [passage indistinct].

[Serebrov] For example, now we are fulfilling a contract for Boeing, and for [word indistinct] we're growing biological crystals, which we will have to drop in capsules (?this month). Before that we were filming; we had an order from the United States, [words indistinct] they pay, that's an ecological service, we were watching the development of the Mississippi, when it flooded the St. Louis and Kansas City areas. [passage omitted]

[Galkin] I have information that you were speaking with the crew of the Columbia today. What did you talk about? And how did that happen?

[Serebrov] Well, it only happened on the third attempt because we could not get hold of (?the Americans). They were asleep all the time, even though in the beginning they themselves [words indistinct]. Well, it was a fairly short conversation, because (?it was difficult to get a good link-up). [passage omitted]

[Serebrov] Anyway, it was a short conversation, then we lost the link; we are flying in different directions in different orbits.

[Tsibliyev] Another time we saw something fly past. We think it was Columbia because the outline was very much like it and there were no other objects around us.

[Galkin] Of course, a radio link-up between Russian and U.S. space facilities is no more than a technical diversion, not presenting any particular complications, but that is now. Recently an agreement was announced between our and foreign space agencies on a docking between the U.S. shuttle with the Mir station. Of course, this will not happen for a couple of years; the main task at the moment is prolonging the service life of the station, retaining its usefulness for at least another four years.

During their last spacewalk Vasiliy Tsibliyev and Aleksandr Serebrov made a detailed external inspection of the station, and transmitted to Earth their conclusion that Mir is perfectly capable of continuing to serve in space. The vacuum screening insulation is within acceptable limits, it has just become sooted up slightly from the orientation boosters. The solar panels are also in order, and what is more they can if necessary be replaced. Generally, only cosmetic repairs are needed, and they can be done by the cosmonauts themselves.

After work in open space, which gave rise to excessive sweating, Tsibliyev and Serebrov were happy to get steamed up in the orbital steam bath. It turns out they have one at the Mir station. [passage omitted]

[Serebrov] We are looking after our hygiene in order to return to Earth in full working order. [Video shows Tsibliyev taking a shower.]

[Galkin] A little steamy. Oh! It's just like being in a steam bath. [Video shows naked Serebrov, sweating, upside-down in shower cabinet and flogging himself with birch twigs.]

[Serebrov and Tsibliyev together] It is a steam bath.

[Serebrov] It is 90 degrees in there.

[Galkin] Amazing.

[Serebrov] And the important thing is to sit upside-down.

[Tsibliyev] Yes, the hot air is from above, so you have to [words indistinct] your legs. [passage omitted]

[Galkin] While talking with the control center, call-signs were used instead of names: all sorts of Taymyrs, Elbruses, and numbers as well. The commander was No. 1, the flight engineer was No. 2. The main designer of space rocket systems had the grandiose name of Dawn-20 [Zarya-20], or just 20. TV correspondents went under the pseudonym of Dawn-25. You could only give very serious questions, jokes were not forgiven. [passage omitted]

Economic Issues

Yeltsin Draft Edict on 1993 Budget Presented to Government

LD1011231493 Moscow Radio Rossii Network in Russian 2000 GMT 10 Nov 93

[Text] Russia's Finance Ministry has submitted the president's draft decree providing more accurate indices of the republic's budget for the fourth quarter and the whole of 1993 for examination by the government .

The INTERFAX agency reports that the maximum size of the budget deficit for the current budget is set at 16 trillion rubles, this being 5.2 trillion less than planned, taking into account the decision made previously to raise wages, compensation, and other payments. As noted in the accompanying note by Finance Minister Fedorov, the fulfillment of these decisions is placing the country on the brink of hyperinflation. At the same time, the minister admits that the measures being proposed to stabilize the financial situation are of a painful nature, especially as far as payments of wages to workers in the budget-funded institutions are concerned.

Finance Ministry, Yeltsin Clash on Foreign Loan Authority

MK1111083793 Moscow NEZAVISIMAYA GAZETA in Russian 11 Nov 93 p 1

[Oleg Polukeyev report in the "Money" column: "The Finance Ministry Fights for Broader Powers. The President's Latest Edict Deprives It of Them"]

[Text] "The Finance Ministry is Turning Into the Main Economic Department." Under that headline our paper reported the 16 October decree by the Council of Ministers-the Russian Federation Government—"On Organizing Activity Related to Attracting and Using Foreign Credits." Under it, any negotiations on this subject with foreign states, banks, international financial organizations, international associations and firms (as of the day the decree was adopted) became the prerogative of the Russian Federation Finance Ministry. The actual signing of interbank agreements was entrusted to so-called agent banks. Naturally, those recommended by the Finance Ministry. As of now, decisions on sources of covering newly obtained credits to pay for deliveries (services) on imports are made solely by it.

Generally speaking, all of this, on one hand, responds well to a very important goal repeatedly stated by Boris Fedorov—to make sure that the strategy of Russia's foreign loans should lead to a full renunciation, as of 1994, of commodity and target credits in favor of a reorientation toward credits from international financial organizations, private firms, and banks which are primarily concerned with the problem of repaying the loans provided.

Watching the strategy of the Finance Ministry's actions on this question, many were content with the alacrity with which Boris Fedorov organized trade in "gold certificates" among our banks, i.e., securities backed by solid gold. The Finance Ministry has not as yet disclosed the names of these banks—which added to the agitation around these securities. Especially after the Finance Ministry managed to increase their market value sharply, by more than 1.5 million rubles a day. Presumably, the role of agent banks that sign agreements on foreign credits and guarantee the return of the loans will be played by the banks which are known only to the Finance Ministry. The guarantee will be ensured by the "gold certificates," i.e., the gold that now actually belongs to the Finance Ministry.

This would be okay were it not for the candid answer to a candid question from NEZAVISIMAYA GAZETA in an interview with Boris Fedorov on 7 July.

Why were the credits provided only at LIBOR rates—the highest rates that are registered on the London interbank market, NEZAVISIMAYA GAZETA asked, although with respect to others there are the lowest LIBID rates, as well as other rates?

Fedorov said: "We are not going to join the group of developing countries that will be receiving preferential credits. After all, we are not an African country; we should have some self-respect."

After such a candid answer one would expect parliamentary hearings and investigations. Unfortunately, they did not happen. The person who was to have raised the question about the over-costly credits preferred not to do so. Aleksandr Pochinok, former Planning and Budget Commission chairman, immediately after the dissolution of parliament, as is known, became deputy finance minister....

It is not really important who specifically (Fedorov or Pochinok) recently circulated a forecast on behalf of the Finance Ministry through ITAR-TASS channels (!): The average price of an ounce of gold on world markets will this year be approximately $360, and next year $390 to $400—thereby unashamedly tempting the banks that were to help the Finance Ministry advance its goals by acquiring "gold certificates." What is important is that on 8 November the president signed an edict "On the Procedure for Making Decisions on Matters of Concluding International Treaties of the Russian Federation on Providing and Obtaining State Loans and Credits," making the future Federal Assembly the sole body responsible both for defining the limits of foreign loans and drawing up a federal budget.

Boris Fedorov, who has been building a financial empire of his own during the whole of this year (was it not to make sure that in the future, Russia, respecting itself and guaranteeing repayment, should accept only the most costly credits?), made a statement which was essentially aimed against the president: "Any talks, agreements, and protocols of intent not properly processed by the Finance Ministry shall be legally invalid and have nothing to do with Russia's official loans."

Who took part in preparing the president's 8 November edict: Chernomyrdin, Gaydar, or some other reformer, is not the most interesting thing now. Even so the question suggests itself: Would it not be a good idea to call a moratorium on all loans until this complicated issue has been fully clarified?

Problems Facing Government in Budget Amendment Viewed

PM1111112593 Moscow ROSSIYSKIYE VESTI in Russian 11 Nov 93 p 1

[Yuriy Rytov report: "Republic Budget: Are Holes Once Again To Be Patched?"]

[Text] It is intended that today's session of the Council of Ministers will consider the question of amending republic budget indicators for the fourth quarter and for 1993 as a whole.

Recently when addressing press conferences Boris Fedorov, Russian finance minister and vice premier, has spoken about the future stabilization of the ruble in the country and cited if not entirely optimistic then fairly comforting figures. According to him, by the end of the year the level of inflation should be nearing 15 percent and should drop to 2-5 percent by the end of next year.

Of course, this overall task is directly linked with another equally mammoth task—reducing the budget deficit. The following guidelines have been outlined here: During the fourth quarter the federal budget deficit will not top 5.5 trillion rubles [R] and will total around R12 trillion for the year (around 10 percent of GDP).

However, the current budget does not include some of the additional expenditure arising from recent decisions made by the Russian president and the Russian Government. First, the increase in wages in the budgetary sphere along with the increase in servicemen's pay and other compensatory payments. Second, further indexing of material spending on adjusted projections for movements in prices and production levels.

Not for nothing do people say that reality can be painful: Taking all the above factors into account causes the federal budget to rise to R22.2 trillion, placing the country on the verge of hyperinflation.

Boris Fedorov must be given credit here for his consistent tough stance. It is hardly necessary to show how dangerous it is now, during the election campaign, to propose supremely unpopular measures. But the finance minister has proposed them. The ministry he heads has prepared a financial stabilization plan which envisages a proportional cut in budget spending. Not of 16 percent, as was the case in September, but of 20 percent.

Of course, the plan also takes into consideration the extraordinary and medium-term measures being taken by the Finance Ministry to attract noninflationary sources of budget funding. Such as, for instance, issuing short-term and medium-term government bonds and selling gold against matched certificates. Estimates show, however, that because of the financial market's capacity a maximum of R840 billion extra can be attracted from these sources. Consequently, the main way to stabilize finances is to cut spending all around.

The Ministry of Finance has submitted amended indicators for 1993 for every item of expenditure. Thus, state subsidies for sectors and enterprises have been set at R2,804,100,000,000 (including R406.8 billion for the agro-industrial complex). While R2,924,800,000,000 are being allocated for the funding of sociocultural measures and R6,924,100,000,000 for state programs and investments.

Furthermore, the amount of federal budget funds paid into the budgets of national-state and administrative-territorial formations under mutual settlements has also been adjusted somewhat.

It is important to stress that provision is being made to cover republic budget spending as revenue comes in using credit allocated by the Central Bank of Russia.

How does the adjusted federal budget for 1993 look in the Finance Ministry plan? Spending totals R43,910,200,000,000 and revenue R25,279,500,000,000, with a maximum deficit of R17,040,700,000,000 (counting foreign credits).

It is clear in advance that the financial stabilization plan drafted by the Finance Ministry is hardly going to meet with an unequivocal reaction from the government. That is understandable: We have frequently had opportunities to see the passion with which some ministers defend their departmental interests. However, if we do not stabilize our finances there will be no hope of general economic recovery in the country next year.

We wait to see what the Council of Ministers decides.

Government Toughens Federal Credit Policy

LD1411113493 Moscow ITAR-TASS in English 0717 GMT 14 Nov 93

[Text] Moscow November 14 TASS—The Russian Government has issued a resolution toughening the procedure for issuing federal credits in Russia.

According to the resolution, as of November 10, 1993, all decisions concerning the issue of federal credits will be adopted by an authorised state body with consent of the Russian prime minister.

Requests for credits have to be submitted to the Council of Ministers through the government commission for credit policy, the resolution said.

In a separate resolution, the government ruled that as of November 10, 1993, decisions on export quotas will be adopted by the government commission for current issues. Requests should be submitted to the Council of Ministers through the Ministry of Economics.

The measures aim at using export quotas and federal credits more effectively for the benefit of the stabilisation of the Russian economy, the resolutions said.

Shokhin Interviewed on Economic Issues

LD1511112693

[Editorial Report] Moscow Mayak Radio Network in Russian at 1318 GMT on 14 November carries a 25-minute live interview with Deputy Prime Minister Aleksandr Shokhin by correspondent Tatyana Chemodanova during the "Mayak Panorama" program.

Chemodanova first gives listeners a telephone number to call with their questions to Shokhin. She then asks Shokhin to give a brief overview of the situation with regard to the ruble zone and the introduction of national currencies.

Shokhin replies: "Yes, tomorrow Kazakhstan is introducing its own currency, while Uzbekistan will probably introduce its own transitional unit, a som coupon. We do not see the process of the introduction of separate currencies or transitional units as a process of disintegration of the CIS, or a process of disengagement by the countries in question. To the contrary, we believe that this process enables us to create a single economic space by civilized means. There is nothing dramatic or unexpected.

"I would actually like to draw your attention to the fact that more than two months ago we signed a number of agreements—including a six-party agreement with CIS countries on setting up a single ruble zone—and five bilateral agreements with Kazakhstan, Uzbekistan, Tajikistan, Armenia, and Belarus. These agreements stipulate several stages leading to a monetary system based on the Russian ruble. These stages allow the introduction of either national currencies or transitional monetary units.

"In addition, right from the start, we have clearly defined the criteria for the unification of monetary systems, or rather for the creation of a single monetary system based on the Russian ruble. These criteria include compatibility of national economies and stability of the monetary systems of the participating countries. By compatibility we mean, first of all, unification of economic laws, but moreover, the unification of legal acts regulating currency markets, credits, budgets, finances, customs, etc.

"When we started debating precise procedures for the functioning of various economies, we realized that it was not going to be possible to unify them quickly. Unfortunately, in two years we had moved too far apart in our economic and political structures. Therefore, we will need six months to a year to achieve compatibility.

"We had encountered a serious problem, the problem of cash flow. It became a serious problem when Russia introduced its own monetary units, its own national currency. However, I would like to point out that Russia had introduced its own national currency in non-cash transactions a year earlier. As of 1 July 1992 our cash transactions have been separated from all other countries of the former Soviet Union.

"A year later, this July, we finished this process by introducing a purely Russian currency unit. I must admit that we did not do it terribly smoothly. Had the government been involved in it, together with the Central Bank, we could have satisfied the demands of our partners as early as the end of July. I mean the demands and conditions that have to be respected during the rebuilding of a single ruble zone, or during the distribution of Russian 1993 bank notes.

"By the way, we were prepared to provide bank notes before the real unification of the monetary systems, but on rather strict conditions, before the coordination of the economic policies that I have just mentioned, and of all economic structures. These conditions stipulated that we were going to provide bank notes in credit. It would have been a state credit, which would have meant a state debt on the part of those states. The credit would have been given at the current interest rate set by the Central Bank and would have necessitated an advance payment equal to 50 percent of the total sum of the credit.

"There were also positive sides, however. For example, if six months later we saw that all the conditions for the unification were present, then the credit would not have had to be repaid, and no interest would have had to be paid. The advance payment would have been reimbursed and, instead of harsh conditions, we would have had a normal functioning of monetary systems. Obviously, that would have meant an undertaking on the part of those countries not to introduce their own currencies.

"These states deemed it to be more profitable, however, to introduce their own national or transitional currencies. We believe that this is a normal measure. If there is no possibility or desire to move toward the unification of monetary systems step-by-step, in accordance with a system of a preliminary cash credit on strict conditions, then this option is quite possible.

"Neither I nor my colleagues at the ministry accept the criticism from certain officials in Kazakhstan and Uzbekistan that Russia is pushing these two countries away. Russia is, indeed, interested in the stability of its economy and monetary system. Not a single official in Uzbekistan or Kazakhstan can give a guarantee that, if we give them 1993 bank notes, these states will not introduce their own currencies in a year's time, for example. I did put this question to President Nazarbayev, for example. As a true politician, he said that he could not give a total guarantee. Who knows what the situation will be like in Kazakhstan or in Russia? What if inflation goes up there?

"This is why we insisted on strict conditions. This is why we believe that the option of introducing transitional or national currencies is a normal, civilized option, and that by no means does it cut off the possibility to unify the monetary systems—but on the basis of strong, stable currencies. The first step toward this kind of unification is a creation of a payment union. We have agreed that we were going to take all the necessary measures to set up a payment union.

"We have already agreed that we were going to provide technical help to both Kazakhstan and Uzbekistan during the process of the unification of national currencies. We are willing to supply them with a certain amount of Russian 1993 bank notes in order to prevent complications in non-trade transactions and for individual travel for holidays and business trips. We will support the setting up of exchange offices in border regions to avoid any problems there. I also think that no one can accuse us of somehow negatively influencing the situation for the Russian-speaking population through our strict approach to the monetary policy. There is no link whatsoever between the introduction of national currencies and the deterioration of the situation for the Russian-speaking population."

Chemodanova then reads questions to Shokhin from listeners. Two callers from Kiev ask what Russians living in former USSR republics should do if they want to move to Russia. They ask about the property they have sold for national currency, which the local banks refuse to change for rubles.

Shokhin says the problem of our compatriots abroad is difficult. He explains: "We currently have 25 million Russians who find themselves living outside Russia. Our main task in this area lies in creating every condition for ethnic Russians in the places where they live permanently. We will very carefully monitor all cases of their rights being violated and use measures of both economic and political pressure to demand of the leadership of those countries that no discrimination, including discrimination with regard to property and housing and so on, should be permitted."

He goes on to say that it is, of course, not easy to change coupons and other monetary units outside Russia for rubles because everyone needs Russian rubles. He says the government is taking a number of steps and will now allocate a certain sum of funds for non-commercial operations for states where the Russian ruble is not in circulation. He says a certain sum should be allocated specifically for the exchange of national currency into Russian rubles for emigrants and especially for displaced persons. The only trouble is, he adds, that there are not yet sufficient funds in the budget to resolve all problems concerning emigration from CIS countries because, for one thing, many of these countries are not keen to publicize the facts. Shokhin says that they assure us that everything is normal when there really are problems.

Shokhin goes on to speak of the reception of emigrants in Russia. He says: "We believe that we must accept them all, help everyone to find employment, to find work and housing." He says it is difficult to do this on a permanent basis, and the government will look for temporary housing for the emigrants. He says the government recently discussed this question. He says it needs to bear

this in mind when holding talks on easy loans and on other economic agreements.

Shokhin adds: "Among other things, we will give loans only to those states that have concluded or will conclude with us agreements on guarantees of the rights of emigrants. We will conclude economic agreements with those states that introduce dual citizenship and the like."

Chemodanova says two listeners from Moscow and Irkutsk have asked how people are to live on a minimum pension with present prices and about what the government is going to do about it.

Shokhin says the main way to help the underprivileged is by means of indexation. He says there was indexation of incomes and pensions last year, but its machinery was not very effective. He explains that all pensions were indexed by the same coefficient, 1.8 or 1.9, and the poorest found themselves worse off after each indexation because most of the money went to the relatively better off. He says the government should take a different approach in 1994 and that there should be a definite increase in the pension, taking into account the real change in the cost of living. Then, Shokhin says, there should be an adjustment at least twice a year in the relationship between the minimum pension, the medium pension, and so on.

Chemodanova says there have been numerous calls about indexation of people's deposits and concerning the bonds promised back in 1990 to supply a car, television, or sewing machine.

Shokhin says that the government decided in the summer to issue money as compensation instead of these goods. He explains that compensation for a car should be at the level of 50 percent of the price and at the full price for other goods. The budget, he says, is delaying the allocation of the relevant funds, and prices are again running ahead. Shokhin says it is hard to say what compensation should be aimed at, but it should be remembered that indexation of deposits and monetary compensation for these goods bonds runs into trillions in budgetary expenditure. He says the choice is between, for example, support for pensioners who do not have enough for food and support for those who have acquired a bond for a car. Shokhin explains that the government undertook to provide these goods against the bonds, and it is in a very difficult position.

He adds: "I am sure that our pensioners and other underprivileged groups of the population will curse us if we pay 100 percent of this money. A golden mean has to be found."

Shokhin is asked how parents who have children at school in various CIS countries can send them money by mail.

Shokhin says agreements have been reached with all the countries of the CIS—or are in the process of being concluded—on non-commercial payments, so the problem of postal orders should be resolved. He says he thinks it will easier to send postal orders to and from CIS countries after these countries go over to national currencies, and there should be practically no problems with payments with the Baltic states. He adds that there are more problems with more fraternal countries that used the ruble until recently. Shokhin then adds that the agreements on non-commercial payments are being concluded and will allocate a certain sum of Russian cash for these operations, so these problems should be resolved shortly.

Chemodanova says a caller from Moscow wondered if there will be an indexation of medical workers' pay in 1993 or 1994. Shokhin says there will. He says they are to index the lowest category of workers on the standard pay scale in the budgetary sector of the economy, and all categories of workers will follow automatically. Shokhin says that the non-budgetary sector, the enterprises themselves, must operate according to pay rate agreements concluded with the trade unions with the mediation of the government, and the government will regulate the level and movement of pay rates.

Chemodanova then brings up the question of the budget. She says the year is coming to an end, but the budget is not yet ratified. In other countries, she says, the budget is ratified long before the onset of the new financial year.

Shokhin says that, according to Soviet tradition, the budget is drafted at the beginning of the financial year already begun, and adjustments are being made to the budget for 1993. He says the government is to adopt this budget on 15 or 16 November and will submit it to the president. He adds that there are a number of difficult problems in it that are connected mainly with the search for additional revenues.

Chemodanova then points out that Shokhin is a member of the Russian Unity and Accord Party bloc, and listeners are interested in how this bloc differs from the Russia's Choice bloc.

Shokhin says he will be addressing this through the media at a later time, but the main thing is that his party stands for federalism and is the party of the Russian regions. He says they believe that now is not the time for either economic or political radicalism, and so economic and political development must be resolved on the basis of consensus among the main democratic forces.

He says: "There are a whole number of other differences between us and Russia's Choice bloc." He continues: "In particular, this concerns the fact that we are not a party of functionaries. Russia's Choice often operates by being the president's yes men and carrying out the president's direct orders every time. We are on good terms with the president. However, we consider it is not always necessary to be a yes man. One must prove one's point by force of argument."

Shokhin says they are not a government party and that the reason is not only that they have four government

members and Russia's Choice has 14. He says it is primarily because they really have different political and economic standpoints.

Shokhin says it is a pity that Russia's Choice has repeatedly said that they and Russia's Unity and Accord are on different roads, that we are not a democratically orientated party. This is clearly pre-election fighting, he says, and he thinks Russia's Choice will change its mind.

Shokhin adds: "We are a democratically orientated party and are ready to form in the state duma the democratic majority that many people are now talking about."

Chemodanova says her last questions is whether political instability will affect Russia's relations with the IMF?

Shokhin replies that we have to pursue our economic policy very carefully. He says he would not like the 1.5 billion dollars that Russia should receive by the end of the year to go straight into covering the budget deficit because it is not the best way to finance the budget deficit.

He says Russia has every reason to believe that they will be able to start talks on obtaining a fresh loan at the beginning of next year from the IMF. He adds that Russia will obtain credit from the World Bank for the oil and gas sector, for the construction of roads, housing, and so on. The total of loans from the World Bank is estimated at several billion dollars, Shokhin says, and concludes that prospects here are good.

Chemodanova thanks Shokhin for appearing live on the air, and he thanks listeners for their questions.

Finance Ministry Proposes New Income Tax Structure

LD1111155193 Moscow INTERFAX in English 1203 GMT 11 Nov 93

[Text] Russia's finance ministry intends to establish a new income tax structure for ordinary citizens in 1993 and 1994, according to a draft presidential decree submitted to the government for consideration by the ministry.

The draft decree stipulates the following tax payments on annual income for citizens in 1993: up to Rbs 2 Mn - 12 percent; Rbs 2-5 Mn - Rbs 240,000, plus 20 percent of any amount exceeding Rbs 2 Mn; Rbs 5-10 Mn - Rbs 840,000, plus 30 percent of any sum exceeding Rbs 5 Mn; Rbs 10 Mn and above - Rbs 2 Mn 340,000, plus 40 percent of any sum exceeding Rbs 10 Mn.

Income tax rates for ordinary citizens in Russia are currently: up to Rbs 1 Mn - 12 percent; Rbs 1-2 Mn - 20 percent; Rbs 2 Mn or over - 30 percent.

In its notes to the draft decree the finance ministry proposes that citizens' combined annual income include "extra-budgetary" funds received by them and making these taxable. Ministry specialists are of the view that citizens are "regularly receive large amounts of money from these funds or are offered high-costing ordinary services, the cost of which often far exceeds the ordinary citizen's basic wage."

In addition, the finance ministry proposes that annual incomes also include "all monies granted by professional unions, enterprises and organizations in the form of material assistance."

Winnings and interest on savings would, the ministry proposes, be subject to 15 percent tax. The sources of such income would also be eligible for taxation.

Gaydar Says Economy Still Needs 'Unpopular Measures'

MK1111131093 Moscow NEZAVISIMAYA GAZETA in Russian 11 Nov 93 p 1

[Unattributed report under the "In Brief" column: "Gaydar on Unpopular Measures"]

[Text] Yegor Gaydar, Russian Federation first vice premier, has said that a number of unpopular measures are necessary to stabilize the economy. He was addressing members of the public and business circles, administrations of urban centers and rayons of the kray in Krasnoyarsk yesterday. According to him, some of these measures have already been taken: Bread prices have been liberalized, preferential credits and subsidies for imports have been abolished. The first vice premier termed as the government's second priority the "opening up of the Russian economy," in other words, its integration into the world economy. He advised that the government is preparing yet another lowering of export duties. In Ye. Gaydar's words, the government realizes that the tasks of the electoral campaign and the tasks of a responsible economic policy differ importantly from each other.

Gaydar on Options for Regulating Incomes

MK1111134093 Moscow SEGODNYA in Russian No. 77, 11 Nov 93 (Signed to press 10 Nov) p 1

[Unattributed INTERFAX report: "Three Options for Income Regulation"]

[Text] Speaking at a meeting with administration heads of Krasnoyarsk Kray, Vice Premier Yegor Gaydar said that the government is studying three options for regulating the population's incomes. The first—"conflict-breeding"—option which leads to "egalitarianism" envisions an effective "freezing" of wages and the introduction of a 0.7 coefficient of price growth. The second option calls for the regulation of wages in two to three monopolist sectors, primarily in the power generation industry, and the third option—a proposal from the Labor Ministry—provides for the introduction of wage controls at state enterprises as of 1 January 1994.

Decree Aims To Improve Taxation Service Work

PM1211163193 Moscow ROSSIYSKAYA GAZETA in Russian 11 Nov 93 First Edition p 2

[ITAR-TASS report: "Improving the Taxation Service"]

[Text] The Russian Federation Council of Ministers' decree is aimed at improving the work of the state taxation service.

It is intended to improve tax legislation and primarily to increase the liability attaching to leaders of banks and credit institutions and corporate bodies and to citizens registerd as entrepreneurs for breach of procedures pertaining to the opening of [bank] accounts and registration with tax organs. It is also intended to improve the procedure for the payment and recording of contributions to state extrabudgetary funds and monitoring to ensure that accounts relating to these payments are correct. The new acts of legislation are to ensure more effective regulation of the tax concessions granted to banks, credit institutions, and enterprises.

Under the decree, the state taxation service, in conjunction with a number of ministries and departments, is instructed to draw up a program to computerize the service and its territorial organs, which will form an integral part of the federal program to computerize the country.

Provisions of Economic Activity Decree Summarized

PM1111154193 Moscow ROSSIYSKAYA GAZETA in Russian 11 Nov 93 First Edition p 2

[Valeriy Petrunin "Commentary": "No More Barriers"]

[Text] The Russian Government decree "On Measures To Liberalize Foreign Economic Activity" essentially modifies the earlier decree "On the Licensing and Establishment of Quotas for the Export and Import of Goods (Work, Services) on the Territory of the Russian Federation."

The government decree has two appendixes containing a list of goods which will be exported under license in set quotas as of 1 January 1994, and a list of strategically important raw materials which will be exported by enterprises and organizations registered by the Ministry of Foreign Economic Relations as of the same date. These are as before: petroleum and its refined products, natural gas, electricity, nonferrous metals, cellulose, fertilizers, diamonds, fish and roe, but this time they have pretty strict limits. As of 1 January it will no longer be necessary to obtain a permit to export goods which are not stipulated by the decree.

Let us recall that this year saw the adoption of the Law "On the Customs Tariff" and the Russian Customs Code, which have banned the granting of concessions to individual exporters. Concessions apply solely to the goods regardless of who is exporting or importing them. Previously questions regarding foreign trade activity had not been regulated. For example, complete anarchy reigned with respect to export and import duties. As a result of which the country failed to collect almost 3 billion rubles last year.

The practice of exempting certain exporters from payment of customs duties was to continue this year. Notably, Chernomyrdin signed a directive in April granting the AvtoVAZ Joint-Stock Company free shipment of goods across the border for a period of four years.

This instruction was completely at odds with the Russian president's edict of 27 March this year under which customs concessions are only granted to participants in foreign economic activity who carry out specific investment programs. Moreover, they are not exempt from paying customs duties but are merely granted a deferment of payment: The AvtoVAZ, however, was exempt from all commitments. That instruction was, fortunately, not implemented. But the very fact of its existence makes you think that the government itself is not exempt from lobbying in the interests of certain exporters.

The firm list of goods which will be exported under license and in fixed quotas as of 1 January 1994 considerably reduces the possibility of officials authorizing or banning exports.

1994-95 Industrial Policy Concept Published

PM1511110193 Moscow ROSSIYSKIYE VESTI in Russian 11 Nov 93

["Draft Basic Provisions of the Concept for Russia's Medium Term (1994-1995) State Industrial Policy"; from the PROMYSHLENNAYA GAZETA section p ii]

[Text] **Introduction**

The development of economic reforms in Russia necessitates an industrial policy to meet the challenges of the day.

A "Concept and Mechanism for the Implementation of Medium-Term State Industrial Policy" has been formulated by Russia's State Committee for Industrial Policy on the instructions of the Russian Federation Council of Ministers-Government. Material from the Russian Ministry of the Economy, the Russian Ministry of Science and Technology Policy, the Russian Ministry of Defense, the Russian Ministry of Foreign Economic Relations, the Russian State Committee for the Management of State Property, the Russian State Committee for Anti-Monopoly Policy and Support of New Economic Structures, the Russian State Committee for the Defense Sectors of Industry, and leading Russian Academy of Sciences and industrial research organizations has also been used in this work. The material was discussed at a session of the Council for Industrial Policy under the Russian Government 1 September 1993.

State industrial policy means the deliberate activity of organs of state government to create favorable conditions for industry's work to safeguard the country's national interests, starting with its economic and technological security.

Integral state industrial policy designed to secure national consensus must be implemented in a coordinated manner by organs of state power and government both at federal and regional level in line with their prescribed functions and rights.

The aims of industrial policy can be fully realized only by achieving the general aims of the policy of socioeconomic transformations in Russia, provided that there is economic stabilization and the country's national security, political stability, and territorial and economic integrity are ensured.

The medium-term future involves ensuring the transition from state ownership and centralized directive management to market forms of state regulation of the activity of commodity producers under various forms of ownership and to the structural reorganization of industry that entails the least possible socioeconomic costs.

The place and parameters of industry within the economy must be established, after stipulating the joint subordination [sopodchinennost] of industrial and economic policy and the means of development of industry as a whole and its sectors.

It is expedient to elaborate the concept for Russia's state industrial policy for the next 10-15 years in the following areas:

1. The status of and trends for the development of Russia's industrial potential.

2. World industrial development trends. Russia's place in the global economy and distribution of labor in the industrial sphere.

3. Avenues of state industrial policy and strategic scenarios for industrial development.

4. Management and regulation in the sphere of industry; normative-legal support for industrial development.

5. Money, credit, currency, tax, and depreciation policy.

6. Institutional and organizational transformations in industry.

7. Structural and investment policy in industry, conversion.

8. Priority avenues of industrial development: formulation mechanisms [mekhanizmy opredeleniya]; legalization and implementation; federal industrial development programs.

9. Programs for the development of sectors of industry.

10. Scientific, technical, and innovations policy in industry.

11. Regional aspects of industrial development.

12. Cooperation in the sphere of industry with republics of the former USSR.

13. Foreign economic aspects of industrial development.

14. Sociopolitical aspects of industrial development.

15. Industrial ecology and labor security.

Aims and Tasks of State Industrial Policy

The strategic aim of Russia's state industrial policy is to create a multisectoral, high-technology, competitive industrial complex, which ensures the strengthening of the country's economic independence and national security, a fitting standard of living for the peoples, improvement of the environmental situation, and Russia's integration into the world community on equal, mutually beneficial terms.

The main aims of medium-term state industrial policy are to:

—stop the slump and stabilize industrial production;

—meet Russia's state and social needs for industrial complex goods and services;

—reduce loss-making economic activity in socially ineffective sectors of industry;

—create conditions for the development of the industrial complex's production, scientific, and technological potential and its infrastructure;

—create the most favorable conditions possible for the dynamic implementation of structural transformations in industry in the course of economic reform;

—ease the social consequences of the structural reorganization of the industrial complex.

The following tasks, which are priority areas of medium-term industrial policy, must be resolved in order to attain the above goals:

—the formation of an effective system of state regulation of industrial complex activity, including the coordination of industrial, foreign economic, and scientific and technical policy;

—the improvement of the economic environment for industrial development;

—the institutional and organizational reform of the industrial complex;

—the reform of the industrial complex's scientific and technical potential and infrastructure;

—the preparation and development of large-scale structural reorganization of industry, including the conversion of the military-industrial complex;

—the involvement of Russia's industry in the system of world economic ties on the basis of equality and mutual benefit;

—the formulation and implementation of measures to ease the social consequences of the structural reorganization of the industrial complex.

The System of State Regulation in Industry

In current conditions industrial policy must be implemented by organs of state government in the following main areas:

1. Reform of property relations and organizational-legal forms, including:

—the formulation of general principles for flotation and privatization;

—the practical implementation of flotation and privatization;

—the creation of economic associations and financial-industrial groups;

—the reform of state enterprises.

2. Selective structural policy in industry, including:

—defining priority areas of industrial development;

—formulating a system of state support funds;

—selectively providing preferences;

—formulating and starting to implement a program for the structural reorganization of industry.

3. The creation of a Federal Contract System:

—formulating a normative base for the operation of the Federal Contract System;

—deciding the range of products and amount of goods to meet state needs;

—directing the process of orders and procurement.

4. Management of "budget-funded" [kazennyy] enterprises and state property within the industrial complex.

5. Support for the industrial complex infrastructure.

In industry there will organizationally be three main groups of enterprises acting as objects of state regulation:

—fully state-owned "budget-funded" enterprises not liable to flotation and under the direct administrative jurisdiction of the corresponding departments;

—enterprises with state participation (with the state holding either the controlling bloc of shares or a minority holding);

—totally nonstate enterprises.

The most important issues of industrial policy are decided by the Russian president, the Russian Federal Assembly, and the Russian Council of Ministers-Government.

In order to ensure effective state regulation of the development of the industrial complex as a whole it is necessary to create a stable system of federal organs of executive power with clear delimitation of ministries' and departments' functions in the sphere of industrial policy.

Within the framework of this system it is necessary to ensure close collaboration between all organs of state management and organizations representing industry's collective interests.

The proposed system of industrial regulation does not envisage a hierarchical structure. Organs of executive power exercise their powers directly.

Federal organs' main functions can be conventionally divided into three groups. The first includes functions involved in the general regulation of industrial complex activity: Defining the priorities of industrial policy, creating conditions for the effective activity of the industrial complex, formulating the general principles of institutional and organizational transformations, deciding measures for foreign economic regulation and protection of national commodity producers, coordinating the policy of procurement for state needs within the framework of the Federal Contract System, and so on.

The second group of functions involves implementing the priorities of industrial policy and control of state property: Formulating and organizing the implementation of state programs, implementing procedures for the flotation and recovery of enterprises, managing "budget-funded" enterprises, representing the interests of the state in joint-stock companies, shaping a market infrastructure, and so on. The above functions are implemented by federal organs of executive power, as well as by financial-industrial groups, associations of commodity producers, and so on, within the framework of the powers vested in them.

Within the third group of functions, ministries and departments act as state customers [zakazchiki] of federal programs.

Federal organs, in view of their area of responsibility, may be assigned all three groups of functions, but any overlapping of the basic functions between ministries and departments should be reduced to a minimum.

The adoption of decisions in the sphere of industrial policy at all levels of executive power must be based on objective information about the state of the industrial complex and on the results of expert assessments of the planned measures.

A federal register of industrial information compiled from data held by existing state and nonstate information centers should be the basis for the implementation of analytical, forecasting, technical-economic, and short-term [konyunkturnyy] studies when formulating industrial policy and measures for its implementation.

The state review system is an important aspect of the decision-making system in the field of industrial policy at all levels of government. An extradepartmental (independent) review should be a requisite condition for organs of executive power to examine programs and projects requiring state support.

On the whole, the effective state regulation in the field of industrial policy requires the adoption of over 90 mutually coordinated legislative acts in 1994.

Reform of the Economic Environment

Improving the economic environment in which enterprises carry out their activity is a mandatory condition for implementing the priorities of industrial policy.

The main measures proposed for the reform of economic legislation are not inflationary, do not involve an increase in the budget deficit, and envisage the following:

1. Tax policy should be based on ideas which promote economic structural reorganization and recovery. During the implementation of reform, tax regulation should be designed to:

—provide incentives for the development of production, including small enterprise;

—provide incentives for Russian and foreign investors with a view to investing money in structure-forming sectors [strukturoobrazuyushchiye otrasli];

—support federal programs and enterprises working on the basis of the state contract system;

—improve the system of labor remuneration with consideration for state priorities and differences in working conditions at state enterprises.

It is necessary to introduce progressive taxation for monopolist enterprises; exempt from taxation money channeled into research and development, retooling, and the technological development of production; and stop levying value added tax on series-produced output manufactured to meet state orders.

The existing tax system often takes away from enterprises not only surplus product but also necessary product and prevents the formation of sufficient production development funds. What is more, the large number of diverse taxes and the huge number of taxpaying enterprises excessively complicates accounting and monitoring and makes the work of state taxation services difficult, causing considerable loss of federal and local budget revenue.

In these conditions a switch to a primarily resource-consumption system of taxation [rentnaya sistema nalogooblozheniya] with a considerable reduction in other categories of taxation might be an effective measure that would make it possible to introduce a regulatory principle into the process of closing the gap between domestic and world prices.

The shift of emphasis from value added and profit taxes and wage deductions to resource-consumption payments makes it possible to:

—considerably simplify tax collection for the budget and boost the effectiveness of the tax system by drastically reducing the number of basic taxpayers;

—not only preserve but also raise the level of budget revenue without raising the general level of prices in industry;

—improve the financial position of most enterprises in the processing industry (except for enterprises that make ineffective use of large quantities of fuel and energy resources);

—reduce the prime cost of industrial output and enhance its competitiveness;

—improve the investment climate, create incentives for both Russian and foreign investments;

—considerably reduce the effective amount of various tax concessions, not always justifiably granted to individual enterprises and regions, without reviewing these actual decisions.

A move to a resource-consumption system requires considerable preparatory work and coordinated actions by ministries and departments. This preparatory work could be completed by 1995.

In the near future (1994), taking into account the process of closing the gap between domestic and world prices of energy sources and the need for urgent measures to reduce industrial enterprises' tax burden, by way of an interim solution to ease the transition to a resource-consumption system of payments, it is expedient to continue the practice of increasing excise duty on fuel and energy while at the same time reducing other taxes, including value added tax and tax on profits channeled into investment and production development.

2. With a view to normalizing the work of industrial enterprises, depreciation charges could be one source of funding for the reproduction of fixed capital. To this end it is advisable to:

—revalue fixed capital every year;

—index depreciation charges to prevent their devaluation;

—accumulate depreciation deductions in enterprises' special accounts on a compulsory basis and monitor their utilization.

3. Improving the antimonopoly mechanism makes it necessary to clarify the criteria whereby enterprises are ranked as monopolist producers. Antimonopoly policy must take into consideration:

—natural monopolism in a number of industrial sectors;

—the unique complexes with a high level of production-sharing that have developed in certain sectors (machine building, the petrochemical industry, and so on);

—the interests of integrating Russian industry into the world economy.

In the interests of the development of regions with extreme natural-climatic conditions, a special system of antimonopoly measures must be formulated with regard to enterprises shipping basic categories of output to the above regions from other regions.

4. It is necessary to switch from state support for individual sectors, enterprises, and regions to the systematic introduction of preferences based on indicative planning and forecasting [sistematizirovannoye predstavleniye preferentsiy na osnove indikativnogo planirovaniya i prognozirovaniya].

5. With a view to reducing the rate of inflation it is necessary to formulate a mechanism for concluding intersector agreements on pricing parities.

Organizational and Institutional Transformations in the Industrial Complex

Institutional changes in the industrial complex will be carried out in accordance with the privatization program, the principles and mechanism for whose implementation must reflect the specific nature of industry and ensure the effective working of floated enterprises. What is more, steps must be taken to avert the disintegration of promising technological chains and also to create new organizational forms capable of most effectively implementing the competitive advantages of Russian industry.

1. Financial-industrial groups.

The most important avenue of state industrial policy in this sphere is the creation of financial-industrial groups in priority areas.

Financial-industrial groups are a most important means of implementing the state's structural policy, ensuring the reproduction, accumulation, concentration, and circulation of financial, production, and commodity capital, its investment in priority areas of industry, and increasing the manageability of industry while attaining ultimate socioeconomic goals.

As far as the forms of capital integration are concerned, financial-industrial groups can be organized as joint-stock companies, holding companies, or make use of a trust, cross-ownership of shares, or a strategic alliance.

Financial-industrial groups can include: production and science-and-production enterprises and associations; research and development organizations; banks; investment funds; holding companies; insurance companies; trading companies; construction and transport enterprises; exchanges; and other kinds of enterprise.

When forming financial-industrial groups, market and extramarket procedures can be used for placing shares that belong to the state. Use of extramarket procedures may be allowed to more speedily attain the goals of selective structural policy, preserve state control over production units of great importance to national security, and also in order to compensate for the incomplete formation of a securities market.

In order to form international financial-industrial groups involving enterprises from the CIS and the Baltic states, special agreements must be adopted between the member countries.

Proposals must also be prepared to provide incentives for nearby foreign countries to invest capital in financial-industrial groups.

2. The development of enterprise and state support for small business.

The development of enterprise and support for small business is one of the main areas of economic reform and involves the resolution of a number of social issues, including the creation of additional jobs, the formation of a broad stratum of entrepreneurs, and thus the expansion of the social base of reform.

In the conditions of establishing a market economy and abandoning administrative interference in the work of industrial enterprises, a simple and effective system of state support for enterprise must be set up.

It should envisage:

—normative-legal support, including a Law "On State Support for Small Nonstate Enterprises";

—developing the work of the Foundation for the Support of Enterprise and the Development of Competition;

—the creation of a network of information centers;

—support in foreign economic activity;

—organizing a system of training and retraining for entrepreneurs, including the fundamentals of business and management;

—the creation and development of a financial infrastructure.

Special Features of the Structural Reorganization of Industry

Special attention must be given to the process of the structural reorganization of industry and, as the core of

this process, the conversion of military production. State support must be implemented in mainly the following forms:

—selective support for programs and projects deemed economically effective on review;

—the implementation of research work to stimulate the development of the chosen areas and aid in introducing the results of this research in industry;

—priority development of elements of the infrastructure that provide support for the chosen areas;

—aid in organizing export of Russian enterprises' output;

—aid in attracting foreign investment. The priorities of structural policy laid down in the government's working program will be observed here.

However, the wide-ranging structural reorganization of industry will take at least 10-15 years. Present-day trends show that structural reorganization is turning into a constant process.

In 1994 the Federal Program for the Structural Reorganization of the Economy Through the Year 2000 must be adopted, which should make provision for a program for the structural reorganization of industry. This also necessitates fundamental changes of approach to the implementation of the program-goal methods of structural reorganization.

Conversion of the Defense Industry

The main avenues of state industrial policy in the sphere of conversion in the period 1994-1995 must be to:

1. Urgently adopt normative-legislative acts regulating the processes of long-term planning and maintenance of defense readiness.

2. Step up monitoring of the use of budgetary funds channeled into conversion projects.

3. Assist those who are developing regional conversion programs, which should be the main instrument for integrating the released capacities at enterprises undergoing conversion, for cooperation at intersector level, and for pooling the potential of the economy's defense and civilian sectors.

4. Organizationally reform the military-industrial complex by identifying the minimum required number of "budget-funded" plants under direct state control and creating intersector technologically vertically-integrated associations from the other enterprises to carry out the defense order on a competitive basis.

5. Create a state system of information backup for the conversion process.

Science and Technology Policy in Industry

The aim of science and technology policy is to create conditions for the formation of a modern technological system in industry as the basis for economic growth. The policy must be based on a system of organizational and economic measures aimed at developing a market infrastructure and changing the management mechanisms in science and technology.

An important area of state industrial policy is the planning and implementation of measures to retool industrial production.

The range of priority measures includes:

1. Creating scientific and legal bases for the retooling of industry.

2. State support of key technologies in industrial sectors, including the formulation of a federal "Key Multiple-Application Technologies" program based on priority areas.

3. Creating an infrastructure which ensures that scientific developments progress to the industrial market, the commercialization of research and development results, the development of technology parks and complexes, support for science parks, and the formation of a state information system of scientific and technical achievements.

4. Extending the practice of leasing transactions in industry to accelerate the process of renewing the stock of machinery and technological equipment.

5. Elaborating normative and legal support and a regulatory mechanism in the sphere of international technological cooperation and the transfer of technologies within the country.

6. Providing targeted government support to develop technologies within the framework of the program to stimulate industrial exports.

7. Stepping up and developing scientific and technical cooperation within the CIS framework on the basis of the intergovernmental agreements which have already been concluded.

8. Protecting abroad the interests of our country's owners of intellectual property.

9. The exercising of control by the state over the course of the privatization of sector research institutes and design bureaus, during which the collapse of scientific and industrial ties as a result of the separation of test plants and experimental bases must not be permitted.

10. Carrying out a review of sector research institutes and design bureaus in order to determine the prospects for and areas of their further development.

11. Creating mechanisms for the independent expert study of drafts and programs, as well as contracts and

treaties on transferring technologies both inside the country and within the framework of export-import transactions.

12. Creating a system of voluntary certification of products and quality-control systems in accordance with international standards in order to improve the quality and competitiveness of industrial output.

Regional Aspects of Industrial Policy

The attainment of the aims of Russia's industrial policy will to a considerable extent depend on the effectiveness of mechanisms to implement it at the regional level. It is therefore necessary to strengthen the components in charge of industrial policy (ministries, committees, administrations) at regional administration level and transfer a number of functions to them. It is proposed to concentrate efforts at the regional level on:

—analyzing the state of and the changing trends in markets for industrial output;

—accumulating targeted resources for solving retooling tasks and for enterprises of key regional importance which are to be retooled;

—formulating proposals on all types of state support of projects and programs which are important to a region.

—individual work with enterprises within the framework of the aims and objectives of industrial policy.

The right to introduce (within the framework of local budgets) tax breaks for industrial enterprises must be delegated to the regional level in accordance with the industrial policy priorities being implemented in regions.

In turn, the central organs of state administration must actively collaborate with regional administration organs by:

—giving help in organizing the utilization of Russia's scientific potential as a whole to solve regional problems in industry;

—supplying regional structures with the necessary information on industrial development prospects, the industrial policy being implemented, and the opportunities and dangers arising for industrial enterprises within its framework;

—taking full account of regions' needs and potential when formulating various targeted projects and programs;

—assisting the process of training specialists;

—helping regions to formulate and implement international industrial projects and programs.

Developing Cooperation in Industry with Former USSR and CEMA Countries

Activity to renew and develop cooperation between Russia and former USSR and CEMA countries is an integral element of industrial policy.

As the first practical step to restore cooperation, it would be expedient to set up producers' associations in market sectors and international financial-industrial groups.

The next stage should be to organize international consortiums to carry out multilateral mutually advantageous projects. A system to coordinate science and technology and possibly export policy should be created simultaneously.

The ultimate aim of renewing cooperation should be to set up multinational financial-industrial groups, companies, and corporations harmonizing production structures and markets of countries participating in the economic union, as well as to create the conditions for the free flow of capital and of labor resources.

A similar policy could also be pursued in relation to former CEMA countries, taking account of the different level of production sharing ties.

The Integration of Russia Into World Economic Ties

In the sphere of integrating Russia into world economic ties, efforts must be concentrated on realizing the competitive advantages of the country's industrial complex, which include:

—the lower cost of the work force combined with its fairly high level of skill;

—the low capital intensity of the research and development sector;

—the longstanding presence of Russian technical machinery products in a number of countries' markets, chiefly in the Third World;

—the considerable scale of accumulated fixed productive capital and stocks of general processing equipment in industry, which makes it possible to reduce the capital intensity of technologically modernizing production facilities;

—the country's high degree of energy and resource independence;

—the presence of unique advanced technologies in a number of industrial sectors, which are based on advances in Russian basic and applied science.

The strategic weaknesses which are in many respects blocking the realization of competitive advantages include:

—the underdevelopment of the financial, organizational, and informational infrastructure of international business cooperation;

—the increasing raw material orientation of Russian exports and the loss of traditional retail markets for industrial output;

—the difficulties of overcoming a number of Western countries' protectionist policies;

—the difficulties of adapting to mass production conditions and to the demands of economic efficiency experienced by advanced technologies which are competitive in nature, primarily concentrated in the defense complex, and designed for small-series or one-off production;

—the low production efficiency and the extremely high proportional material costs even in leading industrial sectors;

—the nonselective domestic demand for science-intensive products which rapidly declines when state orders are reduced.

Within the framework of existing limitations a number of measures can be taken to realize competitive advantages and integrate into world economic ties.

1. The stabilization of traditional technical machinery exports, including passenger and goods vehicles, power engineering and road construction equipment, geological prospecting equipment, mechanical processing machines, press-forging equipment, and so on.

2. The realization of competitive advantages associated with the cheapness of the basic factors of production—work force, productive capital, technological knowledge, and material resources—presupposes above all:

—the location in Russia of facilities producing machine building products with a high surplus value and their subsequent export;

—the creation of production facilities with the aid of foreign capital to produce separate brands of articles which end their life cycle in the capitalist market for machinery and equipment;

—the creation of production assembly facilities using components imported into Russia;

—the creation of machine building production facilities geared toward servicing foreign investment in Russia;

—the placing in Russia of orders for technological developments and applied research, and the creation or adjustment of software for other types of science-intensive services in spheres where Russia has skilled specialist cadres and major achievements meeting world standards.

3. The realization of the competitive advantages embodied in unique advanced technologies.

The main measures of state support for industrial exports must be:

—granting credit to machinery and equipment exporters;

—extending traditional intergovernmental cooperation agreements with solvent countries and allocating credits under them;

—adjusting export and import tariffs dynamically and by mutual agreement.

The most important measures to stimulate industrial complex imports are set out in the appended "State Incentives for Industrial Exports." [not published by ROSSIYSKIYE VESTI]

Curbing Unemployment and Retraining Cadres in Industry

The range of measures envisaged by the industrial policy concept implies constant efforts by the state to alleviate the social consequences caused by the economic crisis, above all to curb unemployment and retrain cadres in industry.

State regulatory measures ensuring the preservation and development of the employment system in the industrial complex provide for:

—developing the employment system by implementing federal targeted programs;

—creating conditions for boosting entrepreneurial activity in industry;

—giving selective financial support to enterprises which determine the situation in the labor market;

—introducing a mechanism to guarantee employment should state enterprises go bankrupt;

—encouraging enterprises in the economy's state and private sectors which increase citizens' employment opportunities.

With a view to improving the system of retraining cadres in industry the following are envisaged:

—the development of a professional training system, including on-the-job training;

—the maximum utilization of the available training base, and the state employment service's creation of its own training centers within its structure;

—the retraining of teachers with an orientation toward work with unemployed citizens;

—the rendering of aid to private organizations carrying out professional training of the unemployed.

Conclusion

Russia's economic potential as an industrial power is primarily determined by the status and development level of its industrial complex. The success of economic reforms will ultimately be determined by the time it

takes the country's industry to get out of the crisis and the effectiveness of its development.

The consistent implementation of the measures envisaged within the framework of a state industrial policy for the transitional period should stabilize the situation in industry, form effective centers of growth, and ultimately ensure the creation of conditions for the successful development of Russia's industrial complex.

The Russian State Committee for Industrial Policy has elaborated a plan to implement the basic provisions of the industrial policy concept. The most important sections of state industrial policy are set out in appendices to this material [not published by ROSSIYSKIYE VESTI], including:

—Basic Principles of Forming Financial-Industrial Groups in Priority Sectors of Industry;

—A Sample List of the Most Important Industrial Technologies;

—State Incentives for Industrial Exports;

—Measures to Improve the Organization of Conversion Work;

—A List of Acts Providing Legislative Backup for Industrial Policy.

Regional Affairs

Sverdlovsk's Rossel Meets With Oblast Government Members

PM1111111993 Moscow PRAVDA in Russian 11 Nov 93 p 1

[Item from roundup of PRAVDA, ITAR-TASS correspondent reports under the "In Brief" rubric: "But Was There A Ural Republic?"]

[Text] Sverdlovsk Oblast Administration Head Eduard Rossel has met with members of the oblast government in order to discuss the situation in connection with the publication of the Russian Federation president's edict on the cessation of the activity of Sverdlovsk Oblast Soviet, the governor's press service reports. All decisions of the soviet concerning the creation of the Ural Republic are declared in the edict legally invalid.

Sacked Sverdlovsk Governor Seeks Regional Support

LD1111102993 Moscow ITAR-TASS in English 0810 GMT 11 Nov 93

[By ITAR-TASS correspondent]

[Text] Yekaterinburg November 11 TASS—Eduard Rossel, the rebel governor of the Sverdlovsk region who was fired by President Boris Yeltsin on Thursday [11 November], is chairing a meeting of heads of six Ural regions and two republics on Thursday.

The official agenda of the regional association of economic cooperation of the regions of which Rossel is the chairman includes problems of privatisation, joint foreign economic activities and health care.

However, observers expect the regional heads to discuss the situation which emerged after President Boris Yeltsin canceled the proclamation of the Ural Republic by his native Sverdlovsk region.

On Wednesday Yeltsin decreed to dismiss Rossel as head of the administration for "non-fulfilment of decrees of the president and for exceeding his powers considerably".

A day before he ordered to dissolve the regional parliament which proclaimed the Ural Republic and ruled that the decision was legally invalid from the moment of adoption.

Rossel was a staunch supporter of the idea of the Ural Republic. He said in an interview in September that the idea was backed by the then deputy chairman of the dissolved parliament, Yuriy Voronin, a radical opponent of the president. Rossel also said the decision to raise the status of the region was the only possibility to ensure normal living and working conditions for the population.

However, Rossel was fast to obey the presidential decree and signed on Wednesday a resolution dissolving the regional legislature.

Yeltsin appointed Valeriy Trushkov as acting head of the Sverdlovsk administration.

Fired Sverdlovsk Governor To Head Regional Bloc

LD1111183293 Moscow ITAR-TASS in English 1612 GMT 11 Nov 93

[By ITAR-TASS correspondent Nadezhda Potapova]

[Text] Yekaterinburg November 11 TASS—Eduard Rossel, the rebel governor of the Sverdlovsk region who was fired by President Boris Yeltsin on Thursday [11 November] for wanting to turn his region into a repuiblic, has been elected chairman of the council of a regional association bringing together six major industrial regions in the Urals and two smaller republics-members of the Russian Federation.

The session of the "Association of Economic Cooperation of the Regions" voted to institute the post of chairman of the association's council on Thursday and later elected Rossel to the chair.

The regional leaders worked out a package of proposals and dispatched them to the Russian president seeking extra tax benefits for privatisation funds and more economic independence from the centre.

Boris Kuznetsov, governor of the Perm region, closing the session said "Rossel's latent potential will help to bring our plans into life".

According to Orenburg Governor Viktor Yelagin, "the center is trying to strangle regional economic freedom". "The proclamation of a republic in the Urals strongly influenced the editors of the draft constitution (of Russia)", he said.

On Wednesday, Yeltsin decreed the sacking of Rossel as the head of administration for "the failure to fulfill decrees of the president and for considerably exceeding his powers".

A day before Yeltsin ordered to dissolve the regional parliament which proclaimed the Urals republic and ruled that the decision was legally invalid from the moment of adoption.

Rossel, a staunch supporter of the idea of the Ural republic, said in an interview in September that the idea was backed by former deputy chairman of the dissolved parliament, Yuriy Voronin, a radical opponent of the president. Rossel also said the decision to upgrade the status of the region was the only possibility to ensure normal living and working conditions for the population in this "workshop" of Russia.

However, Rossel was fast to obey the presidential decree and sign on Wednesday a resolution dissolving the regional legislature.

Yeltsin appointed Valeriy Trushkov as acting head of the Sverdlovsk administration.

Campaign To Elect Jailed NSF Leader to State Duma Begins

LD1211220493 Moscow INTERFAX in English 1449 GMT 12 Nov 93

[Text] Leader of the National Salvation Front Ilya Konstantinov who is held at Moscow's Lefortovo top security prison has signed a list of signatures by voters of Novosibirsk wanting him to stand as their candidate in elections to the State Duma next month. The list which is required for a candidate to be registered to run in the elections was handed to the NSF leader by his defence lawyer.

Representative of the People's Assembly of Novosibirsk Igor Aristov who delivered the list to Moscow told Interfax that the newly-established Fatherland opposition alliance of "non-socialist leanings" was campaigning in support for Konstantinov. The new bloc includes representatives of the local branches of Constitutional Democrats, the Russian People's Union and Christian Democrats.

If registered, Konstantinov will have to face leader of the People's Party of Free Russia Vasily Lipitsky as his main rival in a Novosibirsk constituency.

His wife Galina told Interfax that the Moscow committee for the defence of Konstantinov's rights which also includes Mikhail Astafyev, the leader of Constitutional Democrats, will hold a news conference at the end of the signature-collecting campaign.

She complained about being denied access to her husband given that the wives of other detainees, Aleksandr Rutskoy, Ruslan Khasbulatov, Viktor Barannikov and Andrey Dunayev, were allowed to see their spouses.

Shumeyko Registered as Election Candidate for Kaliningrad

LD1511125293 Moscow Radio Moscow World Service in English 1200 GMT 15 Nov 93

[Excerpt] [passage omitted] Information about candidates who already surmounted a first obstacle on their way to parliamentary mandates by collecting the required one percent of signatures in their support is flowing to the Central Electoral Commission.

First Vice Premier Vladimir Shumeyko has officially been registered as a candidate for the city of Kaliningrad near Moscow. The list of candidates for other regions, Novosibirsk, Khabarovsk and Komi republic, are dominated by local officials, industrial managers, scientific workers and teachers.

Unexpected news has come in from Komi, in the north of Russia, where one of the districts submitted for registration the candidacy of Ilya Konstantinov, leader of the banned National Salvation Front, who is held in custody as an organizer of the October failed coup in Moscow.

Grachev Attends Anniversary of Airborne Training School

LD1211234393 Moscow ITAR-TASS World Service in Russian 1736 GMT 12 Nov 93

[ITAR-TASS correspondent Anatoliy Kakovkin]

[Text] Ryazan, 12 November—Russian Defense Minister Pavel Grachev, Airborne Forces Commander Yevgeniy Podkolzin, and other prominent military chiefs came to Ryazan today to celebrate the 75th anniversary of the Ryazan Higher Airborne Command School, which is to be celebrated tomorrow.

Incidentally, many of the honored guests, including the minister himself, attended this school, the only one in the country training airborne officers. They are still to be found in practically all the "hot spots" of the former Soviet Union and overseas. Airborne troopers from Ryazan are now successfully carrying out their new peace-keeping mission in Yugoslavia as part of the UN troops battalion.

All this was said in a report by the commander of the school, Lieutenant General Albert Slyusar, and in other speeches at the ceremonial gathering. The speakers

emphasized the readiness of airborne troopers to carry out any order from their higher command at any time. A modern training base has been set up at the school, which allows cadets to achieve a high level of professional skills. And this, in turn, is fully appropriate for the training of military pesonnel capable of tackling complex tasks within the framework of the new military doctrine of a defensive nature approved recently by the Security Council.

Anniversary celebrations at the school are to contiunue tomorrow. Defense Minister Army General Pavel Grachev is expected to speak at the parade, and airborne troopers are to demonstrate their military skills.

Further on Grachev Visit

LD1311195793 Moscow ITAR-TASS in English 1419 GMT 13 Nov 93

[By ITAR-TASS correspondent Anatoliy Kakovkin]

[Text] Ryazan November 13 TASS—Russian Defence Minister Pavel Grachev did not spare laudations during his tour of Russia's only and best paratrooper military school near Moscow on Saturday [13 November].

Grachev arrived in the school, located in the city of Ryazan 200 kilometers southeast of Moscow, to take part in the celebrations devoted to the 75th anniversary of its establishment. Himself a graduate of the 1969 class, Grachev noted that since then "the professional mark" of its cadets has "climbed a way up."

The defence minister stressed that "airborne troops have happened to be in the epicenter of reform of Russia's armed forces and have rightfully become a basis of Russia's new military doctrine, a connecting link in the strategic and operational interaction of arms and services of the armed forces."

Grachev pointed out that "in the near future airborne troops will gain a much more considerable weight in Russia's defence potential to become a national military hope capable of averting a military aggression of any country."

The defence minister awarded military decorations and gifts to a large group of school professors and cadets. After the ceremony he returned to Moscow.

New Moscow Press Chief Appointed

MK1111084093 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 11 Nov 93 p 1

[Unattributed report under the "Hold the Front Page!" column: "New Capital Press Chief Appointed"]

[Text] Leonid Belov, former deputy Mossovet chairman, was appointed the other day as head of the press and information department of the Moscow government. He was introduced to the staff yesterday. The department has had no head ever since MOSKOVSKIY KOMSOMOLETS editor Pavel Gusev quit his ministerial position in the Moscow government.

Leonid Belov was described by the mayor as a tough person. As a deputy, Belov was member of the "Moskva" communist faction, and later member of the faction "For Constructive Cooperation." In the wake of the October revolt, he headed the commission in charge of liquidating Mossovet.

Since the performance of this department has totally dissatisfied the mayor of late, the new chief is supposed to swing into action at once. His first assignment is to regulate ads on city streets and in particular to dismantle the remaining communist slogans.

Ingush President Aushev on Constitution, Refugees

MK1011103093 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 10 Nov 93 p 3

[Interview with Ingushetia President Ruslan Aushev by unidentified reporter under the "Russian Fundamental Law Draft Published Today. The Source of Power, Constitution of the President, for the President, and in the Name of the President" rubric: "Presidents' Constitutional Toys. Under Whose Sovereignty Are 60,000 Ingush Refugees?"—first two paragraphs is MOSKOVSKIY KOMSOMOLETS introduction]

[Text] "That is enough of toying with such things, you know," said Boris Nikolayevich as he expurgated sovereignty from the draft of a new constitution. Nothing seems to have crumbled. But the victory of advocates of an indivisible Russia is rather fragile.

"Why did you too agree to remove from the Russian Federation constitution the notion of sovereignty?" we asked Ingushetia President Ruslan Aushev, who enjoys great prestige among leaders of the republics.

[Aushev] There were big debates on this question. A compromise decision was finally found—the words "sovereign Russia" as well as "sovereign republics" were taken out, and the words "the republic" and, in parentheses, "the state," were written instead. Besides, there are two lines on the Federation Treaty, plus the fact that the Federation Treaty will exist simultaneously with the Constitution.

[MOSKOVSKIY KOMSOMOLETS] You were present at the meeting of heads of the republics held at the permanent mission of Bashkortostan before the meeting with B.N. [Yeltsin]. Some single stand must have been agreed on there. In this connection, do you think everyone will be happy with the compromise that was reached?

[Aushev] Well, perhaps it will not make everyone happy. Working on the agreement were Yakutia President Nikolayev, Karelia Supreme Soviet Chairman Stepanov who

was asked, together with Galazov and Shaymiyev, to speak on behalf of the republics. But the main thing is what the referendum in the republics themselves are going to show.

[MOSKOVSKIY KOMSOMOLETS] Suppose I am an Ingush. I am a refugee from Prigorodnyy Rayon, I have nothing, I live in a summer home. What does sovereignty specifically mean to me?

[Aushev] In this case you are a representative of another sovereign republic—North Ossetia—and as its citizen you have more rights to assert your rights, up to appealing to the International Court.

[MOSKOVSKIY KOMSOMOLETS] The Congress of the Peoples of Ingushetia has decided to hold a referendum on seceding from Russia in October.

[Aushev] Not quite so. The Congress instructed the Ingush Republic president to call a referendum on the question of the relationship with the Russian Federation.

[MOSKOVSKIY KOMSOMOLETS] Will the referendum take place?

[Aushev] Yes. On 12 December, we will also put to the referendum a draft Ingush constitution where this issue will be raised.

[MOSKOVSKIY KOMSOMOLETS] Will the Constitution of Russia be put to the referendum in the republic?

[Aushev] It is being put by the Russian Federation president.

[MOSKOVSKIY KOMSOMOLETS] Will the Ingush people have a choice, or they are going to vote for or against a single draft?

[Aushev] We will hold a constitutional assembly before the referendum sometime on 14 or 15 November. It will discuss all the questions on relations with the Russian Federation. The final single variant will be put to the referendum.

[MOSKOVSKIY KOMSOMOLETS] In the time remaining, can something appreciably influence the public opinion of the Ingush people?

[Aushev] If at least several population centers become repopulated and guarantees are given that the rights of refugees will be restored, this would make a great impression in the republic.

[MOSKOVSKIY KOMSOMOLETS] What is the situation in Ingushetia today? Has at least one refugee returned?

[Aushev] So far it has been only individual families. True, there are now nearly 3,000 Ingush in two population centers in Prigorodnyy Rayon.

[MOSKOVSKIY KOMSOMOLETS] Where are refugees going to vote?

[Aushev] I have been asking this of many people here. I talked with Ryabov and Filatov. So far this has not been decided. In theory they are supposed to vote in North Ossetia—they are citizens of that republic. But most probably, they will not vote at all.

[MOSKOVSKIY KOMSOMOLETS] How many refugees are there now?

[Aushev] Nearly 60,000.

Statement by N. Ossetia-Ingushetia Administration

LD1011235993 Moscow ITAR-TASS World Service in Russian 1825 GMT 10 Nov 93

[Text] Vladikavkaz, 10 Nov (ITAR-TASS)—The press center of the provisional administration on the territories of North Ossetia and Ingushetia circulated a statement today. It says:

Provocations aimed at kindling interethnic differences continue in the zone of the state of emergency. Practically every day in both republics civilians, customs and militia posts, checkpoints, and military units of the peace-making forces attached to the provisional administration come under fire by unidentified people from automatic weapons, heavy-caliber machine guns, and grenade launchers.

One of the reasons for the attacks in the state of emergency zone is a desire by criminal groups to seize arms. With this aim, an attempt was made to penetrate the territory of an Army depot in one of the units of the 42nd Corps in the city of Vladikavkaz.

An attempt to smuggle arms from Gudauta to Vladikavkaz has also failed. Officials from the Directorate for Protecting the Facilities of National Economy under the Council of Ministers of North Ossetia, instead of transporting the injured, used two helicopters to bring cases with ammunition and armaments.

However, it is not only the territory of North Ossetia where the accumulation of arms and combat equipment is taking place. The concentration of military equipment and armed people by the Ingush side has been noted in the rayons of Surkhakhi and Ali-Yurta in the security zone, and this has been prohibited by orders of the head of the provisional administration.

These facts show that certain forces in North Ossetia, as well as Ingushetia, do not want peace in the region and try to destabilize the situation.

Situation in North Ossetia Remains Stable

LD1411114793 Moscow ITAR-TASS in English 1141 GMT 14 Nov 93

[By ITAR-TASS correspondent Vladimir Shanayev]

[Text] Vladikavkaz November 14 TASS—The situation remains stable in the zone of the state of emergency in North Ossetia.

Sources said that neither provocative overnight shooting nor attacks on army and police posts nor inter-ethnic clashes were reported in the area over the past 24 hours. Russian troops attached to the region's temporary administration and local law enforcement bodies keep the situation under control.

North Ossetian Parliament Chairman Akhsarbek Galazov will hold an emergency session of the republic's Security Council on Monday to discuss the situation in the region and ways to stabilise it.

Chechen Leaders Urged To Join Election Preparations

PM1011142593 Moscow ROSSIYSKAYA GAZETA in Russian 10 Nov 93 Single Edition p 1

[Unattributed report: "Statement by Central Electoral Commission and State Committee for Federation and Nationalities Affairs"]

[Text] The Central Electoral Commission and the Russian Federation Goskomfederatsiya [State Committee for Federation and Nationalities Affairs] have urged the leadership of the Chechen Republic to show prudence and adopt organizational measures connected with the preparation for the elections to the Federal Assembly and also with the holding of the nationwide vote on the draft Russian Constitution before the election deadline expires.

A statement issued by the Central Electoral Commission and the Goskomfederatsiya says that all the republics and regions of Russia and all its parties and social and national movements have actively joined in the preparation for the elections. However, it goes on to note, "the Chechen Republic is standing aloof and shutting itself off from this general Russian movement."

In the opinion of the Central Electoral Commission and the Goskomfederatsiya, this is connected with the stance of the republic's leadership which, contrary to the will of the majority of its citizens, has taken the path of isolation from the Russian Federation. This path, the statement says, "is intended to suppress the will and desire of thousands upon thousands of Chechnya's citizens of all nationalities to live in friendship and close cooperation with all the peoples of the North Caucasus in our common home, the Russian Federation."

"No one has the right to deprive Russians, including Chechens no matter where they may live, of their inalienable human and civil rights, including the right to free, democratic elections. No one can make the people's decisions for them. No one can use their personal power to 'exclude' the multinational people of the Chechen Republic from the Russian Federation," the joint statement notes.

Chechnya Poses 'Unacceptable' Treaty Options

MK1111085093 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 11 Nov 93 p 1

[Unattributed report: "Moscow Gives Chechnya Up as Lost"]

[Text] The Russian authorities have not taken any additional measures to organize the voting of Chechen residents who would like to go to the polls on 12 December despite Dzhokhar Dudayev's order.

Nikolay Medvedev, a chief of the presidential administration, told MOSKOVSKIY KOMSOMOLETS that "possibilities and conditions that have been created in Russia in general" are fully sufficient. For instance, a voter from Chechnya may at any time come to any electoral district of neighboring Stavropol Kray to vote.

According to Mr. Medvedev, his office has at least two draft treaties between Chechnya and Russia as independent states, which have found their way to the administration in a mysterious fashion. One of them contains notes of "president" Dudayev himself. Options for the conflict settlement they offer have been judged to be absolutely unacceptable.

Chechen, Ingush Sides Differ on Ways To End Problems

LD1311100693 Moscow Mayak Radio Network in Russian 0800 GMT 13 Nov 93

[Text] Chechnya is prepared to mediate in the peace talks between North Ossetia and Ingushetia, Dolkhan Khozhayev, member of Chechnya's Cabinet of Ministers, has stated on behalf of President Jokhar Dudayev in an interview with North Ossetian TV.

Ingush leaders think that the problems of relations between the two republics can only be resolved through talks with the participation of Russia. However, Chechnya does not share that view. All questions will be solved, Khozhayev said, if the region's republics unite to form a single independent state in the North Caucasus.

Luzhkov, Kozyrev Threaten Sanctions Against Chechnya

MK1311140093 Moscow SEGODNYA in Russian No. 78, 13 Nov 93 (Signed to press 12 Nov) p 3

[Report by Natalya Gorodetskaya in the "Standoff" column: "Chechnya Does Not Want To Obey Moscow Mayor. Andrey Kozyrev Promises To Place the Chechens Under Internal Affairs Ministry Jurisdiction"]

[Text] The standoff between Moscow and Groznyy continues. Chechnya persistently dismisses repeated appeals from the Russian Federation Foreign Affairs Ministry to hold elections to the Federal Assembly by citing Groznyy's unwillingness "to interfere in the internal affairs of a neighboring sovereign state."

The Chechnya leadership has related even with some satisfaction to the statement by Moscow Mayor Yuriy Luzhkov on the introduction of a visa entry regime for the Chechens. In any event, Movladi Udugov, head of the republic's press and information department, deemed this statement "an indirect recognition of Chechnya's independence." But, he said in an interview with INTERFAX, "There are certain nuances that need to be considered in the current situation." One of these nuances is the fact that Russia has not as yet officially recognized Chechnya's independence and, following the Center's logic, the republic's residents are citizens of Russia. Therefore, Udugov stressed, Chechnya regards the statement by the Moscow mayor as "the grossest violation of the functional norms of international law and human rights" and will obey these demands only if Moscow recognizes the republic's independence.

By refusing to obey the Moscow mayor's demands, the Chechens are not running any risk because there are no boundaries between Russia and Chechnya; nor is there passport control, customs inspection, and so forth. So far the notorious "visa regime" is based on fairly vague obligations of the "must report to.... register with...., pay for..." kind, and all of this, presumably, on a voluntary basis. It is much easier and less troublesome not to submit to Mr. Luzhkov's demands than to submit to them.

Nonetheless Russian Federation Foreign Minister Andrey Kozyrev, sure that "Chechnya will not be anything else but part of Russia," addressing a session of the government presidium on migration policy matters, threatened that if "laws are violated in Moscow or other parts of Russia," these cases will be dealt with not by the Foreign Affairs Ministry but the Internal Affairs Ministry.

Yakutia To Hold Simultaneous Local Elections

MK1111140593 Moscow NEZAVISIMAYA GAZETA in Russian 11 Nov 93 p 3

[Unattributed report in the "Yakutia" column]

[Text] According to a report from the government press service, a session of the Republic of Sakha (Yakutia) government has discussed the progress of the election campaign to the Russian Federal Assembly and the Legislative Assembly of Sakha (Yakutia).

The session has decided that elections to both parliaments will take place the same day. At present three election blocs have been registered on Yakutia's territory—the Regional Party of Russian Unity and Accord, the Democratic Coalition, and the Association of Independent Parties and Movements of Communist Orientation.

It is expected that the main struggle will unfold around the elections to the lower and upper chamber of the Sakha (Yakutia) parliament. So far only Sakha (Yakutia) President Mikhail Nikolayev and Neryungrinsk administration chief Eduard Esterleyn have polled enough votes.

Presidency Instituted in Udmurtia

LD1211202193 Moscow INTERFAX in English 1116 GMT 12 Nov 93

[Text] The Supreme Soviet of Udmurtia, a republic incorporated in the Russian Federation, passed a decree to introduce the presidency in the republic.

The president will be the chief executive and head of the executive branch elected for no more than two terms of four years each. No date has been set for electing the first Udmurtian president.

Informed sources in Izhevsk say that the first president and local officials may be elected March 6, 1994. They do not think that the Supreme Soviet Chairman Valentin Tubylov will run for presidency while Premier Aleksandr Volkov and Deputy Supreme Soviet Chairman Nikolay Sychyov are likely candidates.

Possible Krasnodar Deportations Viewed

MK1211111993 Moscow OBSHCHAYA GAZETA in Russian No. 17/19, 12-18 Nov 93 (Signed to press 11 Nov) p 3

[Seyfali Akhundov report under the "Border" rubric: "Will Deportation a la Kuban Take Place?"—first paragraph is OBSHCHAYA GAZETA introduction]

[Text] Nikolay Yegorov, head of the Krasnodar Kray administration, has introduced border checks in Kuban [popular name for Krasnodar Kray]. The now established border (it affects nine population centers) runs along the Mzymta River. Getting there now is possible only with special passes.

Aleksandr Runov, representative of the Krasnodar administration in Moscow, told your OBSHCHAYA GAZETA correspondent that the directive introducing border checks was passed following numerous requests from citizens and local Cossacks who attribute most of the recent problems to the flood of refugees from the Caucasus. Crime soared in Kuban particularly after the Russian Federation Supreme Soviet passed the law doing away with residence permits. The Cossacks declared that unless order is brought to the kray, they would go to work and deal with criminals using their swords and whips. The administration head was forced to make the unprecedented decision largely under pressure from the local internal affairs organs. In Runov's words, the local militia "is fighting the bands" while officials in Moscow "are completely out of touch with the situation and take no measures."

The official number of refugees from neighboring Abkhazia is 160,000. But the number of outsiders is much bigger. First the earthquake and then war and deprivations forced some Armenians to seek shelter on Kuban

soil. They already number nearly 100,000. The 250,000-person increase in the population of Krasnodar Kray over a short time caused the price of land and real estate to soar out of control and the once ample food in local stores to become scarce. The local authorities are also worried about weapons and drugs that may be brought in from Abkhazia. For the time being armed militants cross to the Russian side unhindered to "take time off" from war in Sochi and the other vacation spots.

Asked whether those without Russian citizenship and refugee status would be deported, Viktor Lushpay, deputy head of the Krasnodar administration for military questions and work with the Cossacks, said: "All the contemplated measures to strengthen law and order in the region can in no event contradict existing Russian laws." The latter envision deportation as a possible measure.

The reaction of the border security men to the Krasnodar authorities' decision is ambivalent. According to Aleksandr Suvorov, border troops press service chief, there are already checkpoints on the Kuban-Abkhazia sector manned by Ministry of Internal Affairs servicemen and customs personnel. The press service has no information on bringing in additional forces to guard the border. General Aleksandr Baranov, chief of the directorate for the security of state borders under the Russian Federation Main Staff of the Border Troops, declined to comment on the developments, referring to the strictly confidential nature of the establishment subordinated to him.

Official Krasnoyarsk Welcome for Gaydar 'Disservice'

PM1211115593 Moscow IZVESTIYA in Russian 12 Nov 93 First Edition pp 1-2

[Report by Aleksey Tarasov: "'Russia's Choice' Could Choke in Bureaucrats' Embraces"]

[Text] Krasnoyarsk—On 10 November 13 electoral associations received the official right to take part in the election struggle. On the same day the "Russia's Choice" bloc began its agitation campaign in Krasnoyarsk. Russian Federation First Vice Premier Ye. Gaydar, R. Kovalev, chairman of the Russian president's commission for human rights, and world chess champion G. Kasparov arrived in the city on the Yenisey.

I repeat, it was not a state visit but a private one. The guests flew in on scheduled aircraft. S. Kovalev, on stepping onto Siberian soil, said frankly: "Our aim is understandable, why beat about the bush—we have come to campaign for 'Russia's Choice.'"

Well, do you think that having heard of the unofficial nature of the Moscow guests' trip the local bureaucrats were reassured and again set about preparing the territories and population entrusted to them for the winter? Not at all.

Of course, they decided to greet not gaydar the campaigner but Gaydar the first vice premier. Or rather, the local branch of "Russia's Choice" welcomed Gaydar in his incarnation as party leader while the kray administration welcomed him as a member of government. They turned Yegor Timurovich into a kind of two-faced Janus. But Gaydar had arrived, and how to distinguish between these faces? Of course, it is best to be overzealous. Everything was as it should be: automobiles with flashing lights, the blocking of traffic on the streets, local leaders as escorts, meetings and a press conference in the kray administration building, and so forth.

In brief, in going "to the people," to the provinces, seemingly to win its favor privately, the eminent guests delighted passengers on public transport, which is in any case extremely irregular in the city on the Yenisey, making it difficult for them to get through as well; they delighted the militia on the day of their professional holiday—guardians of order and workers from the local Security Ministry directorate were brought in to ensure the safety of the "Russia's Choice" leaders.

And this when state organs and organs of local self-administration are forbidden to take part in election agitation. This after frequent statements by members of government that they will not use their official positions for party propaganda.

I do not doubt that the opponents of "Russia's Choice" will draw dividends from this story. I am also sure that Gaydar, Kovalev, and Kasparov cannot be held responsible for the welcome and hospitality of the local bureaucrats who have not yet lost the habit of trying to oblige the bosses and have not yet mastered the subtleties of the new principles of election campaigning.

The Krasnoyarsk establishment, in welcoming guests, both eminent and not so eminent, has recently repeatedly demonstrated a miraculous resurrection of communist traditions. For instance, in the summer we were visited by Russian Federation Vice Premier Yu. Yarov and later by A. Shokhin. The streets were rapidly asphalted and all traffic near the Moscow bosses was stopped. Just in case they even opened a beer bar near the Geological Museum where Shokhin went. When G. Burbulis flew in he was no longer a state figure. And what happened? He had a retinue of state employees behind him—the deputy governor, the mayor, bureaucrats... As I understand it the hospitality was at his expense. Otherwise it was toadying (I wonder why in Moscow it does not occur to Luzhkov to close the streets when Yarov is charging round them?)

S. Kovalev: "The chances for 'Russia's Choice' in Krasnoyarsk are quite high." G. Kasparov: "The potential majority is on our side." But the results of sociological polls in Krasnoyarsk so far give no grounds for such conclusions. Nonetheless the impression is that in Krasnoyarsk's corridors of power this election bloc won an

unconditional victory 10 November. I think this zeal on the part of the bureaucrats is doing "Russia's Choice" a disservice.

Understandably the presidential-government bloc was doomed to conduct its election campaign with most-favored treatment. Understandably Gaydar's private visit inevitable includes official moments and he did indeed discuss regional problems with the kray leaders without campaigning for them to vote for him. But it is probably best to avoid the ambivalent position in which the "Russia's Choice" leaders found themselves in Krasnoyarsk.

This topic in the election campaign will obviously soon divide and multiply: The governors are all running for the Federation COuncil. Naturally, they have a special attitude toward the bosses. And to some extent the taxpayer will have to pay for their election struggle. But I think the taxpayer will unfailingly remember this on election day.

Draft Charter for Krasnodar Kray Published

PM1211142593 Moscow IZVESTIYA in Russian 11 Nov 93 First Edition p 2

[Report by Andrey Aderekhin: "Kuban Offered Draft Kray Charter"]

[Text] Krasnodar—On the same day as the promulgation of the draft Russian Federation Constitution the draft state charter for Krasnodar Kray was published in the local press.

In accordance with the draft, legislative authority in the kray will be wielded by a Legislative Assembly, comprising 50 deputies. Local self-government is to be introduced in cities and rural population centers. The populace is entitled to choose the form of it.

The draft charter provides for a fairly proper relationship with the center. For instance, it says that organs of state power in the kray cannot adopt legal acts on matters over which the federal organs of power have authority. But there are some rather dubious points in the draft. Here is one of them: "The present charter and the kray's laws can stipulate for Russian Federation citizens permanent residence in the territory of the kray as a condition of the enjoyment of certain rights."

The conclusions section of the draft envisages that some articles in the Krasnodar Kray charter can be changed or added to after the adoption of the new Russian Federation Constitution.

Mari-el To Reform Power Bodies, Hold 12 Dec Elections

LD1111200293 Moscow ITAR-TASS in English 1749 GMT 11 Nov 93

[By ITAR-TASS correspondent Gennadiy Kokukhin]

[Text] Yoshkar-Ola (the Russian Federation) November 11 TASS—An extraordinary session of the Supreme Soviet of the Autonomous Republic of Mari-el closed here on Thursday.

The deputies discussed issues of reforming the republic's bodies of representative power and local government.

A total of 129 people's deputies out of 145, as well as members of the government, heads of city and disrict administration, managers of enterprises, representatives of trade unions, political parties and movements took part in the prolonged debate.

It was decided to call elections to the State Assembly of the Republic of Mari-el and local government on December 12, 1993 instead of March 13, 1994.

Pre-term elections are suggested by the incessant lessening of the opportunities to overcome the social, political and economic crisis, emphasized Vladislav Zotin, president of the autonomous republic.

However, a substantial number of the people's deputies do not share his point of view. For example, one group insisted on holding a referendum on confidence in the republic's Supreme Soviet and the president. The proposal to check on the lawfulness of reforming the supreme bodies of power touched off a heated debate.

Nevertheless, the participants in the session came to terms by agreeing to hold elections to a new parliament with a substantially reduced membership.

Kalmykia Suspends Yeltsin's Agrarian Reform Edict

LD1111202093 Moscow ITAR-TASS World Service in Russian 1734 GMT 11 Nov 93

[By ITAR-TASS correspondent Vladimir Bessarabov]

[Text] Elista, 11 Nov (ITAR-TASS)—The parliament of Kalmykia today suspended indefinitely the validity within the republic of the Russian Federation president's decree on agrarian reform. The main reason for the parliament's decision is "the decree's incompatibility with local legislation, in which there is no provision for the private ownership of land."

Karelian Parliament Reorganizes Power Bodies

LD1111154093 Moscow Russian Television Network in Russian 1100 GMT 11 Nov 93

[From the "Vesti" newscast]

[Text] According to an ITAR-TASS report today, Karelia's Supreme Soviet has adopted a plan for the reorganization of state power bodies in the republic. It will now be called the Legislative Assembly [zakonodatelnoye sobraniye] and will have two chambers—the Chamber of the Republic [palata respubliki] and the Chamber of Representatives [palata predstaviteley]. Deputies will be

elected for four years. Elections to the Legislative Assembly are planned for 24 April 1994.

Karelian Parliament Votes on Local Councils' Powers

LD1211223593 Moscow ITAR-TASS in English 1734 GMT 12 Nov 93

[By ITAR-TASS correspondent Vladimir Zlobin]

[Text] Petrozavodsk November 12 TASS—Karelian local councils will preserve their powers till the election of new representative power bodies on April 17, 1994, under today's decision of a closed Karelian parliament session.

A total of 59 deputies supported the resolution, 14 voted against and seven abstained. The session, thus, violated the presidential decree "On Reform of Local Government Bodies in the Russian Federation".

At the same time, the session instructed the Karelian government to cancel resolutions and instructions of some towns and regions which have dissolved local councils.

Tatars To Boycott Constitution; Bashkirs To Elect President

MK1311145093 Moscow SEGODNYA in Russian No. 78, 13 Nov 93 (Signed to press 12 Nov) p 2

[Unattributed report under the "Provincial Chronicle" rubric based on INTERFAX, RIA-NOVOSTI, POST-FACTUM materials]

[Excerpt] [passage omitted] Kazan—Tatarstan Deputy Prime Minister Ilgiz Khayrullin said at the all-Russian conference seminar for the rebirth of Turkic peoples that most people in the republic would not take part in the 12 December referendum, because the proposed draft of the Russian Federation Constitution "will not lead to accord." He added that "Tatarstan needed the status of a sovereign state at least in order to resolve problems concerning a large Tatar diaspora in Russian regions and abroad."

Ufa—Preparations for a presidential election are in full swing in Bashkortostan. A total of 77 electoral districts have been set up and it is planned to complete the nomination of candidates by 22 November. Under the election law, each candidate must collect at least 100,000 signatures. The registration of candidates is expected to be finished by 27 November, and its results will be made public on 1 December. The elections are scheduled for 12 December. Presently, signatures are being gathered in the republic for nominating two candidates—Murtaza Rakhimov, Bashkortostan parliament chairman; and Rafis Kadyrov, chairman of the "Vostok" international joint-stock banking group.

Zufar Yenikeyev, chairman of the Bashkortostan Supreme Soviet's Constitutional Commission, said in his assessment of the draft Russian Federation Constitution that it "would have been good for a unitary, not federal, state," because against the backdrop of clear-cut guarantees of the rights of individuals it seems "strange and illogical" that "the rights of peoples are rejected." [passage omitted]

Vorkuta Miners End 1-Day Warning Strike

LD1211191193 Moscow ITAR-TASS in English 1732 GMT 12 Nov 93

[By ITAR-TASS correspondent Viktor Makarov]

[Text] Vorkuta, North Russian Republic of Komi, November 12 TASS—Miners of Vorkuta, Komi Republic, have ended a twenty-four-hour warning strike, local sources reported Friday.

Under the pressure from local miners, the leaders of the independent miners' trade union and Vorkuta workers' movement also stopped their hunger-strike, partly because of deteriorating health.

This does not mean that miners were satisfied with the vague promises made by Prime Minister Viktor Chernomyrdin in his Thursday's appearance on national television, which contrasted much with the most specific demands of the miners, chairman of Vorkuta's independent trade union Nikita Shulga told ITAR-TASS.

A Friday session of the council of Vorkuta's independent trade union, which was attended also by representatives of the local administration, decided to join the all-Russian miners' strike which is expected to begin on December 1.

The session also called on miners and all Russian citizens to boycott the blocs and parties which include government officials as their members or enjoy their support, during the forthcoming elections to the lower chamber of the new Russian legislature, the State Duma.

Deputy Minister: Vorkuta Striking Miners' Demands Met

LD1311122793 Moscow ITAR-TASS in English 1141 GMT 13 Nov 93

[By ITAR-TASS correspondent Igor Ivantsov]

[Text] Moscow November 13 TASS—First Deputy Minister of Fuel and Energy Aleksandr Yevtushenko, commenting on the recent hunger strike and one-day warning strike by Vorkuta coal miners, told journalists on Saturday that the main demands by striking miners can be considered as met.

According to the deputy minister, virtually all the funds provided for by the tariff agreement for October have been transferred. The ministry also started transferring funds for November; 50 billion roubles was appropriated for this purpose.

However, Yevtushenko noted, the fulfilment of tariff agreement terms cannot settle all financial problems, since the budget debt on the agreement makes up only a third of the total sum of debts to miners.

Consumer debts to miners rose from 100 to 630 billion roubles from early July 1993 when free-floating prices for coal were introduced. The budget debt to miners reached 330 billion roubles for November.

Yevtushenko claims that consumer debts are of long-standing nature. In his opinion, even the formalisation of consumer debt obligations will not settle all the problems.

The law on the north remains to be a question difficult to resolve. The implementation of its terms needs additional 15 billion roubles, not provided for by the budget.

The deputy minister singled out an agreement on cooperation signed with railwaymen among additional measures aimed at stabilising the situation in the coal industry. It provides for lower charges for coal haulage. A joint venture, Transugol, was set up to export coal.

Kalmyk Parliament Denies Opposition to Land Reform

PM1511131193 Moscow IZVESTIYA in Russian 13 Nov 93 First Edition p 2

[Report by Yelena Yakovleva: "Kalmykia Parliament Has Not Repealed President's Edict on Land Reform"]

[Text] There has been a report in the mass media that the Kalmyk parliament has suspended the operation of the Russian Federation president's recent edict on agrarian reform. The main motive for this decision by the parliament is "the edict's failure to comply with local legislation, which does not provide for private land ownership."

Here is how lawyer Yuriy Sengleyev, a member of the Kalmyk parliament, commented on this news:

"Yes, one deputy did indeed suggest at a parliamentary session that the operation of the president's edict be suspended on the republic's territory. But parliament did not support him. I shall quote our decision to you point by point: '1. Take note of the president's 27 October 1993 edict. 2. Create a commission with a view to preparing proposals for the implementation of the president's edict and the possibility of introducing changes to the legislative acts of the Kalmykia-Khalmg-Tangch republic 'On the land" and "on the peasant farm." '

"Parliament did not suspend the operation of the president's edict. As a lawyer I want to draw your attention to the fact that under the current Constitution and its new draft questions of the regulation of land relations are under the joint control of the Russian Federation and its components.

"Being accused of suspending the president's edict was the result of political battles. But the president's edict cannot automatically begin to be executed in the republic as of tomorrow by virtue of the specific nature of our agriculture. After all cattle raising and primarily pasture cattle raising is what is widespread in our republic. Even before the revolution there was no private land ownership in Kalmykia. So Lenin's "decree on land" had no effect on us. Livestock and not land was the yardstick of wealth for a Kalmyk and pastures belonged to the tribe.

"In the republic today there are three agricultural regions. One is close to the Salskaya steppe and is an arable Chernozem region and the president's decisions do not need to be 'adapted' for it, while the other two zones are mainly cattle raising zones and are desert zones and here we must think how to implement the president's edict.

"But in any case private ownership of land is approved in the republic's laws and we do not intend to repeal it."

Vologda Governor Hails Equal Status To Local Regions

LD1411155793 Moscow INTERFAX in English 1438 GMT 14 Nov 93

[Text] The draft of the country's new constitution grants equality to all parts of Russia something they have been clamoring for, Governor of the Vologda Region Nikolay Podgornov told Interfax.

He was happy that Russia's hinterland had at last succeeded in making its voice heard and enshrined in the constitution. The Governor said that experience shows, the constitutional reform could have been carried out without undue debate on the proclamation of the self-styled republic of Vologda.

Podgornov says that "if kept intact, the slow time bomb the Bolsheviks planted a decade ago will have blown up in a year or two to set a negative trend in the mainly Russian regions".

National Affairs

Kravchuk Presents Economic Program to Parliament

LD1211190293 Kiev Radio Ukraine World Service in Ukrainian 0800 GMT 11 Nov 93

[Speech by Ukrainian President Leonid Kravchuk to a session of the Supreme Council in Kiev—live]

[Text] Esteemed People's Deputies: In submitting for your examination the drafts of the plan for economic and social development, the state budget of Ukraine in 1994, and also anti- inflationary measures, the Cabinet of Ministers proceeded from the fact that these documents are a practical embodiment of the state's current economic policy and reveal the changes that are being made to the program in order to implement the observations and proposals by people's deputies advanced during the discussion of the program.

While objectively evaluating the course of transformations in Ukraine's economy as a whole, we should recognize the imperfection of our previous intentions, programs, and plans. Often populism and unprofessionalism—which were intensified by attempts to achieve positive results as speedily as possible, hurriedly and hastily—were constantly shaping an atmosphere entirely unfavorable to the adoption of well-considered, substantial, farsighted, and consistent decisions regarding examining complex socioeconomic problems.

The result of this policy was destabilization, if not the complete dismantlement, of individual legal foundations of both the state and its economy, which naturally led to the intensification of the economic and social crisis in society.

Executive authority would fling itself from one direction to the other—wanting to combine opposite tendencies of government—resorting to populism and so on. Our legal field is so rich in contradictions that any decision can be blocked. Political considerations of the relevant forces then replace expediency. Therefore, it is truly very difficult to build an integral program with prospects on such a foundation.

This in no way means, however, that we should not know what, for example, will happen in December 1993, January 1994, or May 1994. Namely, such an approach—taking into account the dynamism in social processes—is laid down in the draft documents offered to you. The main thing in them is our view of the ways to overcome the economic crisis. This is why when (?explaining and elaborating) elements of the plan for economic social development and the state budget, when elaborating urgent measures by the government regarding overcoming hyperinflation, the following tasks were set:

First, the government's actions should be clear and logical. The people should understand these actions, be persuaded of the reality of improving the economic situation, and have the possibility of predicting its development. Only in this case can we secure support of our actions from the people.

Second, it is necessary to ensure stability of the state's economic policy and achieve consistency in conducting those economic reforms that have already been started.

Third, it is necessary to view things realistically. The Supreme Council—and the majority of deputies understand this—and the government will not be able to lead Ukraine out of the crisis now. Not because they cannot, but there will simply not be enough time for this. The task is to ensure the functioning of the main areas and to create conditions for gradual stabilization of the economy as much as one is able. Therefore, the concept of the program is of a somewhat contracted nature because, if one approaches this seriously, one cannot create the program for six months or for nine months. Naturally, that is if one does not set the task of proposing a program for the future Supreme Council and the future government.

Taking into account that you are aware of the content of the document that has been presented for the Supreme Council's consideration—which will be duly debated during speeches by the ministers of the economy and finance—I would like to concentrate your attention on the conceptual approaches in resolving these urgent issues of Ukraine's socioeconomic development, which will determine our decisions and actions.

First, a range of measures is being implemented to guarantee management of the country's economy. The experience of past years has demonstrated that market declarations are not enough for market changes. An iron will to implement reform and a reliable mechanism of introducing reforms is necessary. It is precisely the lack of such a mechanism that prevented past Ukrainian governments from stopping the reduction in the population's standard of living, initiating deep economic reform, achieving noticeable improvements in privatization, reforming the financial, budgetary, credit, and currency policies and agrarian relations, and implementing antimonopoly measures.

[Word indistinct] without turning back have chosen the policy of further liberalizing economic relations with the simultaneous strengthening of state regulation of key processes. The organizational and legal basis of this policy will be the plan of economic and social development of Ukraine. The plan's concept was elaborated by the Ministries of Economic Affairs and Finance with the active participation of local administrations and representative bodies and was adopted by the Cabinet of Ministers. The elaboration of the draft plan was carried out, at the same time, with the aim of overcoming the crisis in the management of the economy and in close agreement with preparations for the state budget.

Practices that are principally new for us of late have been laid as the basis of the plans for next year, but [word

indistinct] the approaches are connected with the necessity of spending exactly the same amount as is earned but, it is true, with one essential addition: namely, to have a clear plan on how to produce more and on what the government, local bodies, and economic subjects must do for this. This means including in the plan only those measures that are backed with real financial resources. The definition of priorities includes estimating possible volumes of resource purchases that are necessary for the functioning of the national economy—first and foremost of energy sources—within the means possible with hard currency revenues from exports of domestically produced commodities.

Therefore, the volumes of state contracts and state orders will be determined proceeding from urgent requirements only. The state will not control general volumes of production and the finances of enterprises. Enterprises in the state sector will formulate their plans independently. The non-state sector will cooperate with state bodies of power exclusively on a voluntary basis. In connection with the fact that one of the main sections of the plan for 1994 is dedicated to economic reform and the development of market relations, there are grounds for conducting a tough policy to achieve radical changes in privatization and in destatization of the economy in 1994. Such an approach to the plan, therefore, does not deny market reform, but is viewed as a reliable method and one that has been verified by world practice of market transformations in the economy: namely, transformations and not market spontaneity.

Second, principally new approaches are being secured toward the means of socially protecting the population. With the exception of a number of its categories that the state should and will care about, social security for the majority of people should be transformed into giving citizens a portion of the national wealth that is due to them for private use—above all, of land and real estate—in order to facilitate the development of small- and middle- size entrepreneurship. We should determine that only destatization and privatization are capable of stopping the impoverishment of our country's potentially wealthy citizens and must grant them the possibility of freedom from economic serfdom. Here the reserves are really enormous.

Even if we do not include fertile lands at 1990 prices, property valued at around 400 billion karbovantsi was subject to privatization in Ukraine. As valued by western experts, this amounted to 7,000-8,000 dollars for every resident with regard to this property. The value of the karbovanets at the time was approximately a dollar. A range of cautious measures with a market orientation have already been used today. In accordance with a Ukrainian presidential decree, a mechanism of corporatization of state enterprises has been elaborated and introduced by the Cabinet of Ministers, which will undoubtedly transform it into a surging and mass privatization. In one and a half or two years time, it is planned to turn approximately 4,000 state enterprises into corporations. A presidential decree has been adopted on the indexation of the population's privatized property certificates.

In our opinion, this will ensure that extensive numbers of people will be brought into the privatization process and will stimulate the birth of a mass purchaser of state property. We held lengthy conversations about the scarcity of funds for carrying out structural reconstruction of the economy, social protection of the population, and conducting monetary reform with large-scale measures used for the first time to mobilize needed financial resources. When resolving this problem, we proceeded from the fact that we would not wait for a new Marshall plan for Ukraine to immediately bring into circulation goods that are a part of Ukraine's huge material riches that are not being utilized, that are decaying, and that need state funds to maintain them.

In particular, this means privatization of unfinished construction projects, the total value of which reaches 140 trillion karbovantsi. The experience of past decades bears witness to the impossibility of completing the construction of these facilities without a change of ownership, in particular, the fact that the construction of almost 30 structures to the total value of 5.5 trillion karbovantsi was begun back in 1975. It is clear that no one is going to build them now if the ownership is not changed. The money is being wasted. We are searching for millions in order to resolve the issue of how to pay for sugar, pay the miners, and so on. The money is being wasted. As well as mobilizing funds badly needed today, the privatization of unfinished construction projects will contribute to (?developing) market relations, resolving problems of enlivening production, support for the building industry, and job creation.

As is well-known, the president's decree on issuing state commodity bonds of Ukraine's national resources has caused many debates. Even direct accusations of selling off Ukraine are occuring—even of betraying state interests. There was also talk about this in this hall. However, in the debate fervor, the fact that one should search for a way out of the situation when things are difficult is not taken into account at all. We should search together. We are ready to examine them if someone has other proposals. However, I think it is clear to everyone that the economy will not be able to work and will not be able to get out of the crisis without additional investments.

Under conditions of an extraordinary economic crisis, the point is not, as they say, to put on a smile when playing badly, but to search for a realistic way out of the situation and a means to overcome this crisis.

The main aims of the decree are to resolve three pressing problems: to stabilize the Ukrainian monetary unit, guarantee foreign investments, and implement highly-qualified investment projects. I would also remind you that funding loans secured by property is widely practised in the whole world. I have not found anything new

here. Their volume on the world financial market came to approximately 250 billion dollars last year. In the absence of sufficient gold assets, property can be the only possible security against the pledge of fulfilling credit obligations of Ukraine. This is even more so because it remains on our land and is utilized only in the interests of our people. What is built on our land will remain there. This cannot be described as selling off riches even with the greatest imagination.

The technique of a funded loan and the mechanism for organizing it have partly been (?explained) in the instruction of the Ukrainian president on securing guarantees of liquidity of state commodity bonds of Ukraine's national resources and continue to be elaborated by the Ministry of Finance together with other government structures. I want to emphasize that the decree of the president and the mechanism for implementing it have undergone serious legal examination—also at an international level—and were being prepared for almost a year.

Insurance and backup mechanisms have been elaborated, which guarantee the success of the project and will not put Ukraine into an awkward situation. This is the substantive side of the decrees and their economic expediency.

Now, about the legal side of the matter. The decree regarding privatization of unfinished construction projects was adopted by the president in accordance with point 7 [numbers indistinct] of Article 114-5 of the Ukrainian Constitution. This is a decree on issues of economic reform of unregulated laws.

Two issues are resolved together in the decree. Privatization of facilities of unfinished construction is resolved in the principles of the law on privatization. Its position is made more concrete in the decree. Privatization of plots of land on which unfinished construction projects are located is not regulated by the land code. Only the issue of privatization of agricultural land for individual and dacha construction and of private plots is consolidated in the land code.

The land code determines which land is not subject to privatization. The code does not say anything about plots of land beneath construction projects, including unfinished ones. The aforementioned plots of land are privatized in accordance with the land code only for citizens of Ukraine. They cannot be privatized for foreign citizens. The said clause about foreign citizens is not a general one. It only concerns privatization of land plots of agricultural designation and for individual construction. It should be interpreted namely in this context of the land code.

The decree contains a clause regarding privatization of land for Ukrainian citizens and also for legal entities registered on the territory of Ukraine—the start-up funds of which contain no share of state property—and for foreign citizens, persons without citizenship, and legal entities of foreign states. The decree contains individual clauses that regulate some issues somewhat differently to current legislation. The Supreme Council of Ukraine itself often goes along this path.

(?In legislative practice)—above all in the period of formation of legislation, of the elaboration of its body—this is an ordinary phenomenon. It is simply impossible to adopt a crystal clear law in this respect. The Ukrainian president could not (?make use of) the real practice of the legislative process either when adopting decrees that have the force of law, that is those adopted in accordance with point 7-4 of Article 104-5 of the Ukrainian Constitution. Under such conditions, legislation should be efficiently renewed and brought into correspondence with the needs of the day.

I want to say directly and frankly here that if one is dealing with the political side of the matter, then let us concentrate on the political side. If the economic side, then let us concentrate on the economic side.

Incidentally, the proposals submitted to the Supreme Council by the government regarding unfinished construction are there, but the commissions cannot agree. So I put the issue thus: Either let it die, or we search for means of force in order to (?save) Ukraine's economy. If there are other versions, I am ready to examine them together and to make proposals. I would not want someone to accuse someone else of some kind of underhanded actions here.

Now, on the social aspect of the plan of the budget. In a situation of inflation and powerful price blows that are being repeated ever more frequently recently, living conditions are becoming ever more intolerable for the majority of Ukraine's citizens. At the same time as control over the economy intensifies and privatization processes become more vigorous, the social protection of the population will be secured on the basis of reforming the system of payment for labor.

The relevant ministries, led by the Ministry of Labor, are already completing work on preparing a draft law of Ukraine on payment for labor. On the basis of this law, it is necessary to begin reform of wages in (?1994). At the first stage, it is planned to carry out improvement of the tax system of payment for labor by introducing a minimum amount for wages and a minimum tax rate for monthly salaries at the poverty level. At the same time, reduction of the gap between the sizes of tax rates of salaries of highly-paid and low-paid employees and an increase of the tax part of wages will be carried out.

More decisive measures will be used with regard to considerably speeding up the rates of improving market reforms. Small-scale privatization will be basically completed in 1994, in the first instance, of trading, public catering, and consumer services facilities. Appropriate tasks have been set up in every oblast for the state privatization program. Proposals concerning changes to current legislation that simplify the procedure for small-scale privatization have been submitted for the Supreme

Council's consideration. The approach with regard to coordinating work at a local level should be of a principally new kind.

For this purpose, a single system of state privatization bodies will be created that will unite bodies that implement the privatization of general state and municipal property. In accordance with the task, funds received from privatization will be envisaged in the budgets, and this will stimulate local authorities to implement privatization. In order to successfully carry out small-scale privatization, the Supreme Council should resolve the issue of the possibility of privatizing the property of small state enterprises that have been leased and to create the legal basis in order to sell land plots together with privatization facilities.

Mass privatization of large- and middle-size enterprises will be carried out as a continuation of the process of corporatization. Moreover, the broad involvement of the population is envisaged through the use of privatization documents.

What is also new is that privatization will be carried out on the basis of the results of an analysis of the efficiency of individual sectors of the economy. This will provide an opportunity to combine the privatization process with a structural reorganization and to guarantee the purposeful attraction of foreign investments. It is also envisaged to adopt a presidential decree on investment funds and investment companies that would create a legislative basis for the establishment of a broad network of financial and intermediary structures and would speed up privatization.

The solution of the issue on the development of the agr-oindustrial complex and providing the country with power sources should play an important role in overcoming inflation. The tense situation, as far as the purchase of agricultural produce for state resources is concerned, proves the necessity of a radical restructuring of the state's credit and financial relations with agricultural producers. It is envisaged that the state's need for the produce of the agroindustrial complex will be specified, a contract system of purveyance will be introduced, and a limited regulation of prices for only a socially important group of food products will be carried out. This will allow us to unburden the budget, involve the money of enterprises and organizations—commercial ones included—in the purveyance of agricultural produce.

The solution of the problem of providing the country with power sources also requires changes for the better. As is known, the debt for power to Russia is being paid by the government and not the enterprises that consume these resources. Meanwhile, according to the practice existing throughout the world, it is producers who agree with each other on raw material supplies, but not the prime ministers and not the presidents. Besides, this principle should be extended over state enterprises in full measure.

I completely agree with those directors and deputies who turned to me with the request that, for this purpose, producers should be given the right to solve all problems, that conditions should be created and that all kinds of barriers and restrictions should be removed. The problem of power sources and the balance of payments should be transferred to the level of enterprises with the simultaneous creation of a normal currency market.

Next. The shifting of the emphasis in carrying out our reforms should take place from the circulation sphere to the production sphere. This opens up a new approach toward transformations, specifically in the area of circulation, and toward the implementation of the price, budget, taxation, credit, and currency policy. One of the primary tasks to be solved in order to improve the monetary and financial system is the overcoming of price inflation—bringing its rate down to an economically substantiated level. The adoption of the decree on measures to curb price growth—aimed at regulating the formation of prices for products, goods, and services, with the limitation of [word indistinct] profitability level in industry and in the supply and marketing sphere—is a step forward in this direction. In the future, along with the stabilization of economic relations, the system of price formation will be reformed in the direction of limiting the state's influence on prices with the use of economic regulatory levers inherent in a civilized market.

In the budget policy, all privileges will be gradually cancelled, and a course will be taken toward a gradual curtailment of state subsidies to support the enterprises that had previously been called planned loss-making [planovo-zbytkovyy] enterprises. Large-scale social parasitism is incompatible either with the market or the current state of Ukraine's state budget. This principle must be a basic one during the structural reorganization of the economy of Ukraine. Brought to an optimal size, the state sector of the economy, as in any other state, should be turned into a full-blooded element of market. A strict delimitation of the functions of the state owner administrators and hired workers is necessary.

Here is one more important aspect. The logic of reforming the domestic system of economic management, the creation of a uniform market environment for all forms of ownership, require urgent replacement of budget financing by commercial credit with an economically substantiated interest rate and reliable bank control. Eventually, it is necessary to divide, to delimit the finances of enterprises and the state budget. The replacement of budget financing by the market will lay a basis for stepping up the productivity of goods production, which, after all, is the most universal anti-inflation measure.

Naturally it is practically impossible to give up state subsidies until wages are reformed. We understand this. Especially for communal accommodation management. However, it is necessary to reduce budget expenditures

by decreasing the proportion of subsidies in the value of these services to the population.

Substantial adjustments to the credit mechanism and to banking activity as a whole are needed. The National Bank should create such conditions for the activity of commercial banks whereby it would be beneficial for them to work in the interests of the state and not for the enrichment of individual businessmen. It is necessary to conduct a tougher policy in relation to those banks that delay carrying out payments without grounds.

Many issues have arisen today in the area of goods and monetary circulation. The first step to resolving them is the decree of the president on measures to reduce cash circulation. Putting it into practice allows us to make this circulation somewhat more normal and to restrain the speed of the increase of monetary emissions. The issue of further indexation of the running costs of enterprises and organizations and the population's deposits needs to be resolved.

The absence of a reliable and stable national currency is paralyzing stimuli to work and invest. We need to set up a national credit and banking system, to work (?in accordance with) a mechanism of introducing our own currency, while continuously evaluating our actions, and above all not repeat mistakes.

In general, the issue of improving banking affairs is, well, one of the most topical problems now. The most effective way of making state finances more healthy should be tough economizing on budgetary expenditures and control and responsibility at all levels for utilizing budgetary funds.

As far as taxes are concerned, the main thing—alongside ensuring that the budget receives all revenue from them—remains the problem of stabilizing taxation policy. Without this it is impossible to expect production or investment activity, in particular by foreign investors, to be enlivened, or stabilization of finances of the state, regions, or enterprises.

But certain adjustments to the taxation system are essential, especially with the aim of stimulating domestic producers. Such proposals are being prepared. On the whole, continuous improvement of national taxation policy is expedient, especially in issues of currency supply for the state to protect the income part of the budget and shape a mechanism for budgetary spending.

A few words regarding foreign economic activity and liberalization. The introduction of market relations in the sphere of foreign economic activity will be carried out by way of further liberalization of foreign trade, stimulating competition between subjects of foreign economic activity, including foreign participants, and a transition to commonly acceptable principles of currency regulation.

The first step in this direction is the adoption of the decree on additional measures regarding improving currency regulation directed at developing the currency market and stabilizing the exchange rate of Ukraine's currency. Putting this document into practice will allow us, in the opinion of the government, to get away from the tough fixed exchange rate of the karbovantsi and make the transition to a floating official exchange rate envisaged by legislation, stimulate the activity of commercial banks on the currency market—and legal entities who are non-residents—and put an end to the harmful practice of the total granting to individual subjects of foreign economic activity concessions regarding exempting them from the compulsory sale of foreign currency on the interbank currency market and from payment of entry and export duty, value added tax, and others.

I know how acutely the debate on this issue is going on even now. The Supreme Council will express its point of view. The government will express its point of view. I think that with calm discussion and argumentation we will be able to adopt a sensible decision and finalize some points, if there is a need to do so in this policy. But one should listen to the government and the argumentation of ministers, and listen, as they say, to alternative opinions on this issue.

It is planned to further reduce administrative limitations on imports and exports and convert to measures of prevalently tariff regulation and other levers of an economic nature—taxation, credit, and insurance levers. The list of products whose export is regulated by quotas and licenses will be realistically reduced. Only certain types of strategic raw materials will remain on it.

At the same time, demands regarding the adherence by subjects of foreign economic activity to current legislation in this sphere, to currency, customs, and taxation legislation, will be intensified. A program of all-round stimulation of exports as a basic source of currency revenue and improving the balances of trade and payments, including its crediting, will be carried out. [as heard]

Specific steps directed at improving the (?investment) climate in Ukraine are envisaged, in the first place by introducing a system of insuring foreign investments against both commercial and non- commercial risks, providing foreign investors with wider possibilities of participating in the privatization of state enterprises, acquiring facilities of unfinished construction, and so on. Some things have already been done in this direction.

A great deal of attention will be paid to carrying out a well-considered policy of attracting foreign credits. Above all, every year we should determine and confirm at the highest level the fundamental reference point in this sphere—the total limit of Ukraine's external indebtedness. It is planned to introduce the allocation of credits that have been attracted to the state on competitive principles. At the same time, the selection criteria should

be the self-sufficiency of the objects of credit and positive changes in the economy such as securing the development of export potential and setting up enterprises replacing (?imports), reducing the power and material consumption of products, and increasing the level of ecological safety.

The government is taking measures to ensure that revenue from proceeds in foreign currency comes to Ukraine in full and on time, in accordance with the volumes of products for export supplied by enterprises and utilizing the currency funds received by them.

In the sphere of trade and economic relations with CIS countries, Ukraine will continue the policy directed at developing mutually advantageous long-term trade on equal terms, deepening and strengthening economic links between enterprises, and strengthening advantageous economic integration with CIS countries, above all with the economy of Russia.

The appropriate ministries and departments are currently preparing a law changing the procedure for exporting products. It is envisaged that all obstacles on this path will be removed and that more freedom will be given to regions in order to stimulate the sale of products manufactured in Ukraine and to increase its export potential.

I want to draw the attention of all those engaged in developing our state's foreign economic relations to the fact that it is only possible to expect positive progress in foreign economic activity under conditions of stability of legal and economic principles operating in this sphere and also under conditions of continuous interest in this work by all subjects of the economy.

And finally, on regional policy: The application over some time of principles of centralized and departmental-branch management and the absence of clearly defined regulations of state and regional policy in the country have led to special-purpose regional approaches in forming efficient territorial proportions being ignored, the disproportional socio-economic development of regions, and the accumulation of serious economic, social, and ecological problems in the provinces that need systematic resolution in the process of carrying out economic reform. An important constituent part of it which has still not had due attention paid to it, should be regional policy.

The main objective of the economic policy in the regions is to create relatively equal possibilities in each of these for comprehensive social and economic development and effective use of local natural, material, labor, and financial resources. Together with the oblast state administrations, the government is now completing work on the regional policy guidelines. The implementation of a comprehensive program of socio-economic development of Donbass, which is an investment program of the region's structural development, will get under way next year. The elaboration of a state program of socio-economic development of the Carpathian region is nearing completion. The measures envisaged by this program will ensure a comprehensive economic and social development of Transcarpathian, Ivano-Frankovsk, Lvov, and Chernovtsy Oblasts. Similar programs are to be elaborated for the Black Sea region, Polesye, and other regions as well. By the president's decision an experiment on the regional economic cooperation is planned to be carried out. Its realization envisages delegating additional plenary powers in managing separate enterprises and organizations—which are the property of the entire state and are situated on the territory of these oblasts—to state administrations in Dnepropetrovsk, Donetsk, Zaporozhye, and Lugansk Oblasts. This will provide local bodies of state executive power with more opportunities for solving issues of socio-economic development of the regions and for carrying out economic reforms, promoting stabilization of the economy, and coordinating structural reorganization, effective management of enterprises, provision of the population with consumer goods, and solutions of other social and economic problems.

The question of granting additional economic powers to the Crimea Republic is being tackled. Proposals are being prepared on introducing changes and additions to the enforceable enactments on granting additional plenary powers to state administrations in issues of managing state property, formation and use of local budgets, currency funds, allocation and licensing of the export of products, and the setting up of joint ventures. This will stimulate the interest of local bodies of state executive power in the effective development of the productive forces in the regions, raising their responsibility for the results of the economic activity.

In considering the key issues of our activity it is necessary to take into account the situation that will have ever growing influence on the political and socio-economic situation in the state. Of course, this is the future election of the Supreme Council—as the first stage of the election, the second one being the election of the president, the preparation for which has already been launched by parties and separate political figures. The election struggle is a competition of ideas and programs—a necessary attribute of democracy. But herein lies a threat of embarking on the road of populism, empty promises, and sowing illusions among people that the sought-after goals can be achieved easily and quickly. For the sake of this they might possibly apply pressure on the government and strive for the adoption of decisions with the aim of achieving their narrow-party election interests, rating them above the interests of the state. In such conditions it will be difficult to speak about the practicality of our plans and measures. We already had that experience and sowed nothing but people's mistrust.

It is necessary to tell people and to tell each other honestly that it will be possible to solve economic problems, guarantee people's social protection, and build up the state only if we all work together for the benefit of Ukraine. Only hard work in conditions of

peace and civil accord will allow the crisis to be overcome step-by-step; to curb inflation and ensure proper living conditions for our citizens. Well, I call upon all political parties to assess the government's decisions in the course of the election discussions and not only from the standpoint of their own interests. A civilized election does not rule out constructive cooperation of political forces. Only a public consensus based on establishing the ideals of freedom and democracy will allow the holding of democratic elections, forming a new parliament and a new government, and working jointly for the benefit of Ukraine. Thank you for your attention.

Parliament Vetoes Kravchuk Bond Decree

LD1211160793 Kiev UNIAN in Ukrainian 1400 GMT 12 Nov 93

[Text] Kiev—At its morning sitting on 12 November, the Supreme Council of Ukraine imposed a veto on the Ukrainian president's decree "On issuing state commodity bonds of the national resources of Ukraine." In particular, people's deputy Vitaliy Melnychuk substantiated the economic inexpediency and illegitimacy of the decree. Many deputies severely criticized the president's actions.

President Kravchuk, Finance Minister Hrigoriy Pyatachenko, Economy Minister Roman Shpek, Volodymyr Stelmakh, deputy chairman of the National Bank, and Health Minister Yuriy Spizhenko delivered reports on anti-inflation measures, on the government's economic program, on the plan and state budget for the end of the current year and for 1994. A resolution approved by the deputies charges the Supreme Council standing commissions with the task of examining the above documents with the participation of the government members. It also charges the Cabinet of Ministers with the task of making them work, taking into consideration the remarks and proposals by people's deputies.

The next plenary sitting of the Supreme Council will begin on 16 November.

Deputy Premier on Progress of Reform

LD1411170893 Kiev Radio Ukraine World Service in Ukrainian 1400 GMT 14 Nov 93

[Text] I do not adhere to the idea that the situation in Ukraine is inferior to that in Russia where, they say, the reforms are in progress. Ukraine's Deputy Prime Minister Vasyl Yevtukhov has stated this in a press interview. He points out that our state outstrips Russia as far as the volume of production is concerned. In the Russian Federation they are obliged to resort to a credit emission as they do in Ukraine; however, they do it without wide publicity. In Yevtukhov's opinion, in Ukraine reforms are carried out, but in an unsatisfactory manner. Mistakes and attempts to change the situation for the better are being made; one cannot say that reforms in Ukraine are at a standstill, the deputy prime minister emphasized.

Security Rounds Up Sect Members 13 Nov

AU1311143093 Paris AFP in English 1414 GMT 13 Nov 93

[Excerpt] Kiev, Nov 13 (AFP)—Ukraine security forces were attempting Saturday [13 November] to round up all the members of a mystic sect, the White Brotherhood, before the dawning of what the sect leaders have appointed as judgement day.

Maria Tsvygun, who has described herself as the "Seventh Messiah" and a reincarnation of Christ, had promised to commit suicide Saturday before being resurrected Sunday [14 November] when, according to her, the world is due to end.

On Saturday an Interior Ministry spokesman said a further 16 members of the sect were arrested in an apartment in Kiev, joining several hundred already being held.

Press spokesman Vladimir Topola told AFP: "We hope to arrest all those people who have not yet been detained by Sunday."

Tsvygun and her husband, Yuri Krivonogov, are already under arrest as Ukraine authorities grow increasingly alarmed by the sect's influence and by the numbers of would-be flocking to the city.

It is feared that hundreds of the sect's followers could still try to converge on Kiev and gather in the city centre to await the end of the world.

Authorities began a crackdown on the sect Wednesday [10 November] when sect members attacked St. Sophia Cathedral in Kiev, the oldest and most revered church among Slavs, damaging icons and clashing with police.

Zhulinsky said Friday [12 November]: "I don't rule out that on (Sunday) the White Brothers will gather in the squares" of Kiev."

Tsvygun, who also calls herself Maria Devi Khristos, originally prohesied the world would end on November 24, but she brought the date forward to Sunday. [passage omitted]

Day Ends Without Incident

AU1411210193 Paris AFP in English 1855 GMT 14 Nov 93

[Excerpt] Kiev, Nov 14 (AFP)—Followers of the "White Brotherhood" sect, gathered here since early November, are troubled. The end of the world, which their sect had predicted for Sunday [14 November], did not occur.

Some 144,000 sect members were expected to gather at Saint Sophia Square on Sunday to "celebrate the Apocalypse," and the authorities feared a mass immolation.

At the end of the day, police and parents hoping to find their missing children at the site were frozen by the cold,

but none of the "white brothers" had shown up and no incident had occurred. [passage omitted]

Briefing on Theft of Chernobyl Fuel Elements

LD1311102993 Kiev UNIAR in Ukrainian 0900 GMT 12 Nov 93

[Text] Kiev, 11 Nov—A briefing devoted to the organization of work by the bodies of internal affairs in the evacuation zone of the Chernobyl nuclear electric power station took place at the Ministry of Internal Affairs. The evacuation zone, the center of which is Chernobyl, is 3,000 kms of territory in Kiev and Zhitomir oblasts which has been withdrawn from economic use. The scientific production association "Pripet", the nuclear power station, the directorate for its construction, and the "Shelter" facility are located in the zone. Almost 13,000 people work there. Special bodies and sub-units of the Ministry of Internal Affairs protect the zone and ensure law and order on its territory.

More than 1,500 people have been detained at Ukraine's nuclear electric power stations over the 10 months of this year, 289 of them at the Chernobyl station. Of those, 183 were detained for violating the pass system and 101 for theft of state property. According to information of the Ministry of Internal Affairs, on 20 October unknown persons stole two fuel elements [tvel] (containers with nuclear fuel) of a total length of 70 centimeters from Chernobyl nuclear electric power station. Criminal proceedings have been instituted in this matter, but the criminals have so far not been found.

Although the number of solved crimes in the evacuation zone of the Chernobyl nuclear electric power station comes to 81 percent, the operational situation continues to remain unstable. The question of fire safety remains acute. Eight hundred and seventeen fires, caused by delays in repairing old edifices and insufficient cleaning up of forest tracts, have occurred since the accident.

In order to remove shortcomings, the president of Ukraine issued a decree on 21 August of this year "on additional measures to eliminate the aftermath of the Chernobyl disaster." Measures on construction and organizing the work of two checkpoints have been elaborated, together with the zone's administration and the scientific production association "Pripet." Proposals to increase protection of the zone's perimeter, to provide law and order, and a checkpoint procedure, and also to reinforce individual protection sub-units, have been received at the Cabinet of Ministers, the Ministry for Protection of the Population from the aftermath of Chernobyl, and the Ministry of Justice.

Operation of Chernobyl Criticized

LD1311194393 Kiev UNIAN in Ukrainian 2030 GMT 12 Nov 93

[Text] Kiev—On 12 November, the national commission for radiological protection of the population held an expanded sitting with the participation of representatives of the Ministry of the Environment, the Ministry of Chernobyl Affairs, several commissions of the Supreme Council, public ecological organizations and the press. Commission chairman Dmytro Hrodzynskyy criticized the Supreme Council decision on lifting a moratorium on the construction of new nuclear power units and on continuing the operation of the Chernobyl nuclear power station.

According to him, the cost per unit of Ukraine's national product in terms of energy consumption is seven times higher than in the developed countries due to very obsolete technology. Replying to a question from a UNIAN correspondent, Dmytro Hrodzynskyy underlined that the fate of nuclear power engineering and the Chernobyl nuclear power station first and foremost, in the state which suffered from the largest ever engineering accident should be decided by the people.

A letter to Ivan Plyushch, chairman of the Supreme Council, expounding the stand of the national commission for radiological protection of the population on the development of nuclear power engineering in Ukraine, was read at the sitting.

Ministry Accuses UNIAN of Misinformation

LD1211224793 Kiev UNIAR in Ukrainian 0900 GMT 12 Nov 93

[Text] Kiev, 11 Nov—The Ministry of Defense press service states that UNIAN has disseminated more misinformation, according to which Ukrainian Defense Minister Colonel-General Vitaliy Radetskyy prohibited the military from addressing letters and grievances to the mass media.

The Defense Ministry's press service states: Such information does not correspond to reality.

During meetings with representatives of the military press and the personnel of directorates of the Ministry of Defense, Colonel- General Vitaliy Radetskyy stressed that the military should refrain from appearing in the press with political statements or articles of a military-political tendency, which entirely corresponds to Ukraine's current legislation.

Conflict Over Transcarpathian Autonomy Viewed

WS1211132893 Lvov POST-POSTUP in Ukrainian 4 Nov 93 p 13

[Report by Andriy Kvyatkovskyy: "Transcarpathian Bomb Is Ticking"]

[Text] The main inspirer of Transcarpathia's fight for autonomy is Mykhaylo Voloshchuk, former oblast council chairman and first secretary of the Communist Party of Ukraine oblast committee. He was "swept" from the post of oblast council chairman as a result of an outspoken picketing of the council's building by Ukrainian democratic organizations.

The Ukrainian Supreme Council Committee for Economic Reform has been discussing the draft on free economic zones in Transcarpathian Oblast for a couple of weeks now. By the way, one free economic zone has been created in the oblast under the name Chop-Inter-Port. The analysis of companies that are operating on its territory proves that the zone might fall under the control of Russian economic structures that will then handle Slovakia's and Hungary's relations with both Ukraine and other CIS states.

The 24 October session of the Transcarpathian Ukrainian Popular Council grouped around the Ukrainian Republican Party adopted an appeal to the president and the Supreme Council chairman to disband the oblast council and to introduce direct presidential rule in the region, if local deputies declare the region's autonomy. The Ukrainian Council also demanded that local councils be prohibited from adopting any decisions directed concerning autonomy, until a new constitution is adopted. There also were proposals to declare Ukraine a unitarian presidential republic. The participants in the conference announced that if their demands were ignored they would restore the autonomous state Transcarpathian Ukraine to prevent "political separatists" from declaring the independence of Ciscarpathian Rus. Republican Party members stated that "if Kiev does not want to build Ukraine in Transcarpathia, we will do this ourselves."

On the same day, another association—the Transcarpathian Committee for Fighting Separatism led by People's Deputy Viktor Bed—staged a meeting in Uzhhorod, attended by Rukh, the Christian People's Union, the Congress of Ukrainian Nationalists, the Ukrainian National Assembly, and the Union of Ukrainian Women. The participants insisted that the separatist oblast council be disbanded and promised acts of public disobedience.

Scared by these threats, Olast Council Chairman Dorchynets stated that the issue of the region's autonomy would be removed from the agenda of the session. However, democrats did not abandon intentions to picket the council's building. There were also pickets organized by separatists, demanding the opposite. Dissatisfied with Dorchynets's compromising decision, all ethnic Hungarian deputies refused to take part in the work of the council's committees. There is a real threat that the oblast will be divided in "mountainous" pro-Ukrainian and "lowland" pro-Hungarian and pro-Rusyn regions. At the same time, Ukrainian National Self Defense units from all over Ukraine gathered in the oblast for drills.

Parliament Tasked With Secrets Law for Press

LD1411155993 Moscow INTERFAX in English 1438 GMT 14 Nov 93

[Text] The Ukrainian Government has proposed that the parliament adopt a law supplementing the Criminal Code by the article on journalists' responsibility for divulgence of state and official secrets.

The draft law says that the media's divulgence of the classified information is punished by one to three years imprisonment.

Similar actions that entailed the material damage for an enterprise, office or an organization are punished by three to eight years imprisonment.

Among matters that present a state secret in Ukraine are for example, the data on the production and sales of armaments. Also classified is the information issued by the Cabinet of Ministers on the price growth at the republic's markets.

The draft law is coordinated in the Parliament commission for the mass media and in the Ukrainian Union of Journalists.

Rukh Council Session Discusses Election Program

LD1411122493 Kiev UNIAR in Ukrainian 0920 GMT 14 Nov 93

[Text] Kiev, 13 Nov—The main points of the election program were considered at the session of the Greater Council of Rukh [People's Movement of Ukraine]. Issues of social protection, price formation and taxation policy, privatization, creation of conditions for the development of agriculture, and structural changes in industry occupy the leading place in the program. Rukh views future Ukraine as a parliamentary-presidential republic in which the president is not the head of the executive power. Cities, villages, and settlements should be granted the right to choose the pattern of self-government independently. Rukh proposes that the land reform be carried out by way of the land and property privatization on the principles of shareholding.

In the opinion of the Rukh members, this is the only way to reorganize the collective and state farm system. Rukh will support the reduction of the share of nuclear power stations in Ukraine's energy supply. The Chernobyl nuclear electric power station must be stopped and dismantled. The final variant of the election program will be approved at the 5th All-Ukrainian Assembly of Rukh which is to take place on 10-12 December this year in Kiev.

The Rukh Greater Council also approved a statement in connection with the election of the president of the Crimea Republic. In particular, it says that the capitulatory stand of the president and the Supreme Council of Ukraine in relation to the Crimean separatists, led to such a development of the events. Rukh believes that the election of the president of the Crimea will lead to the secession of the autonomous republic from the composition of Ukraine, and supports all the democratic forces on the peninsula that call on the Crimean residents not to take part in the election.

Democratic Groups Hold Strategy Meeting

LD1211223493 Kiev UNIAN in Ukrainian 1400 GMT 12 Nov 93

[Text] Kiev—On 11 November, leaders of political parties and influential public organizations of democratic orientation held a conference behind closed doors. These, in particular, were Rukh [People's Movement] of Ukraine, the Ukrainian Republican Party, the Democratic Party of Ukraine, the Party of Democratic Revival of Ukraine, the Christian Democratic Party of Ukraine, the Peasants Democratic Party of Ukraine, the Green Party of Ukraine, the "Labor Congress" Party, the "Prosvita" society, the Union of Ukrainian Women, the Union of Officers of Ukraine, etc.

As has become known to a UNIAN correspondent, the idea of setting up a coordinating committee of democratic forces, which would carry out all the pre-election work, was discussed at the conference. It did not acquire any clear-cut structural nature though. A disparity of many leaders' opinions on methods to unite into blocs and coalitions, both at the regional and all-Ukrainian level, was an indication of the success of the conference. At the end, it was decided to set up a permanently functioning conference of the leaders of political parties and public organizations. Once a week its members will agree on joint actions.

Commenting on this meeting in an interview with a UNIAN correspondent, Vyacheslav Chornovil stated that he would consider the conference useful "at least because it will allow democrats not to stand against each other in election constituencies, to agree on joint candidates, and to help confront the 'ruling party.' The newly set up conference has no intention of merging with the "Democratic Center," which came into being as a result of an individual initiative of political figures. But, as Volodymyr Yavorivskyy emphasized in an interview with a UNIAN correspondent, the list of the conference participants remains open. Volodymyr Filenko even defined the threshold for those who would express their wish to participate in the conference: The building up of this state, adherence to legal democracy, and striving for market economy. The next meeting of the conference will be held on 16 November.

Most Crimeans Favor New Elections

LD1411155493 Moscow INTERFAX in English 1438 GMT 14 Nov 93

[Text] More than 69 percent of Crimeans said they were in favor of new parliamentary and presidential elections in the territory, according to the October poll involving 1,545 people throughout the peninsula. 12.2 percent were opposed and 18.5 percent undecided.

More than 73 percent of those questioned are planning to take part in elections for the local presidency and over 78 percent in general elections.

Parliamentary Chairman Nikolay Bagrov has the highest rating among local politicians with Republican Movement Leader Yuriy Meshkov and Prime Minister Boris Samsonov trailing behind, according to the poll.

With 36.3 percent to its credit, the Party of Economic Revival leads among local parties. Coming next are the Republican Movement, the Russian and Communist Parties.

Poll Gages Indicators on Eve of Election

LD1311193093 Kiev UNIAN in Ukrainian 2030 GMT 12 Nov 93

[Text] Kiev—The independent scientific, research, and educational center "Democratic Initiatives," set up one year ago with the assistance of foreign foundations in support of democracy, has published the results of research conducted in late October- early November: "Public opinion in Ukraine on the eve of the new parliamentary election."

As center experts, well-known sociologists Yevhen Holovakha, Iryna Bekeshkina, Viktor Nebozhenko, and Yuriy Orobets pointed out, only 11 percent of those polled could name a specific leader who they would like to see as head of state. The experts underlined that the attitude toward political parties and movements is based to a great extent on the "progressive nature" of their names rather than any analysis of their program provisions and the results of their activities.

This assertion, in particular, was confirmed by the fact that the "Party of Order and Justice," devised by the sociologists, turned out to be among the parties with the highest rating according to the results of the poll. In comparison with the previous poll conducted in May-June a conviction that a certain political force should emerge to assume responsibility for the situation in the country is becoming increasingly widespread among people.

The number of electors who have already defined the parties whose representatives they will cast their votes for has grown from 37 to 50 percent. Certain ideas, which were popular only recently, are being transformed in people's minds. For example, the idea of Ukraine's federal system, according to the center's data, is now shared only by the people of the Crimea.

Kazakhstan

Nazarbayev on Introduction of New Currency

LD1211225693 Almaty Kazakh Radio Network in Kazakh 1400 GMT 12 Nov 93

[Address to the nation by President Nursultan Nazarbayev—live]

[Text] Dear compatriots: In accordance with the authorities vested in me by the Constitution of our Republic and the Supreme Council, I have signed a statute on the introduction of our country's national currency—the tenge—beginning 0800 on 15 November this year. From this moment, a new stage, essentially a landmark for the construction and development of a truly independent state of Kazakhstan, is beginning. Such events happen in the history of every country only once. We must all understand the necessity for and emergency of the circumstances and motives behind the introduction of our national currency. For us, this has an unprecedented economic and political significance.

You know that the course followed by the president, by parliament, and by the government was aimed at the integration of the CIS countries' economies in order to enable us to exploit the advantages of mutually beneficial cooperation in the most efficient way. Nobody can reproach Kazakhstan today for deviating from this strategic line. We raised the initiative of forming a new type of ruble zone. As a result of the joint efforts by the highest echelons of those states interested in it, the relevant documents have been signed. I am referring to the statement of the presidents of Russia, Kazakhstan, and Uzbekistan of 7 August, the hexalateral accord on practical measures to create the new type ruble zone of 7 September, and the bilateral agreement on merging the monetary systems of Kazakhstan with the monetary system of the Russian Federation of 23 September this year.

Until recently, Kazakhstan received repeated statements from the leadership of Russia to the effect that our republic can join the new ruble zone on an equal basis. The equal basis presupposes taking into account both current and long-term economic, political, geopolitical, and historic mutual interests. Unfortunately, not many take these aspects of our relations into consideration today. This is the root of most discrepancies. But during intensive bilateral talks on the practical implementation of these accords, more and more new stipulations were being put forward. In the final analysis, they were reduced to demands which border on the loss of the economic sovereignty of our republic.

At the same time, a massive discharge into Kazakhstan of the old-type cash rubles and uncertainty about their circulation on the territories of a number of states by the end of October led to a disorganization of the republic's monetary system, to a new inflation spiral, and to a sharp deviation of the purchasing power of the Kazakh and Russian ruble.

All this has had a very negative effect on the life of our population. We could not allow it to go on any longer. We assessed the situation very meticulously again and adopted the decision to introduce our own currency. This does not counteract the basic provision of the agreement on economic union. Guided by the principle of openness, we informed Russia and other CIS states in good time about this step. I am convinced even now that a unified monetary system corresponds to the economic and political interests not only of Kazakhstan but also of Russia. Unfortunately, strategic interests turned out to play the second fiddle today. Forced by circumstances, we will all have to advance toward integration via a stage of a compulsory separation and the introduction of our own currencies. That is why my decision concerning the introduction of the national currency is the only way out of the current situation in our state.

The course of events in recent years has obliged our republic to prepare variants for the functioning of its own monetary system. We took into account the expertise derived from monetary reforms and the introduction of national currencies in other countries, including the CIS countries. Meticulous economic preparations were made and experts evaluated how the process might develop.

Samples of the new banknotes were designed. The National Bank and the government were very efficient and quick in getting these notes printed. We are facing the task of organizing all our work in such a way as to ensure the stable functioning and high purchasing power of the tenge and not to allow malfunctions in carrying out the reform, to reduce to the maximum all possible social consequences. With this aim in mind, on 3 November I set up a state commission on the introduction of the national currency with fully authorized representatives appointed in the provinces. The commission was instructed to prepare in a very limited term all the necessary legal foundations and enactments. The commission was given the right to deal with organizational questions. Special attention must be focused by the commission on defining the machinery of functioning of the currency market, the procedures for payments between the enterprises of Kazakhstan and the countries of the former ruble zone, and on facilitating money exchange for the population.

Much has already been done. The state commission has adopted the documents which determine the principles, procedures, and conditions for the organized introduction of the tenge and the exchange of the old banknotes. Tomorrow, the republican and local press will carry all this. Today I presume the television and radio will relay this information. Instructions have also been given to the executive organs of power in the provinces about their participation in this work, on the need to ensure exchange for all layers and categories of the population, including those who live in far-away and unreachable settlements and production sites.

I won't go into all the details and procedures for the forthcoming exchange. You will learn about this in full from the press. I will only say that the 1961-1992 issue rubles will be exchanged for the tenge at a rate of 500 rubles [R] to one tenge. Every citizen over the age of 16 and who is a permanent resident of Kazakhstan will be entitled to exchange up to R100,000 in one transaction. Passports will be stamped certifying this transaction. In order to prevent the legalization of the so-called black—or I would put it straightforwardly—dishonest money, as well as money imported to us from other countries in this period, cash exceeding this limit will be deposited in special bank accounts. It goes without saying that this will arouse dissatisfaction among certain persons and criminal circles who are interested in laundering the cash which has been received, to put it mildly, in dishonest ways. I want to assure you that people who earned this money in a legal way will be able to receive it in the near future after verifying the source and according to a decision of special commissions organized in conformity with my statute of 5 November on the urgent measures for the stabilization of the monetary system. I am sure that this measure will not touch upon the interests of the overwhelming majority of the population of our country. For those who work at enterprises, organizations, and establishments the exchange will take place at work. It has been envisaged to set up exchange commissions and the exchange of old banknotes will be carried out within the framework of the stated norm and only one time.

Maximum attention will be paid to pensioners who do not work. Their money will be exchanged at the places where they receive their pensions. The state commissions and law-enforcement organs have been instructed to ensure a continuous centralized supply of the new currency to the establishments which pay out pensions. They are obliged to ensure order there.

The procedures governing the exchange of money for persons who, during this period, find themselves away from their places of permanent residence or work have also been envisaged. Money deposits of the population will be exchanged at the rate of the bank where this deposit is kept. For some categories of the population exchange commissions will be set up under the local administrations. All cases of and attempts to deliberately discontinue or change the working hours of enterprises and retail trade organizations, private catering and, passenger transport and communications, should be cut short. Representatives of the state commission are endowed with wide authority to prevent such offences. Leaders of enterprises, organizations, banks should work intensively to recalculate balances, accounts, and deposits as well as other ruble liabilities.

I must note that during the past two weeks, in addition to the agreements reached earlier on cooperation, intergovernmental agreements were concluded between Kazakhstan, Russia, and Uzbekistan as well as between the central banks on mutual liabilities and mutual support in connection with the introduction of the national currency, on noncash payments, and on a number of other issues. These documents were published in the press yesterday and you can again familiarize yourselves with them.

Of course, it would have been much easier for us to introduce the currency after the decline in production had stopped, the living standards of the population had improved, and the monetary system had stabilized. I have already mentioned this before. There are certain difficulties connected with the winter costs of the reform. But there was no time left for us to choose. No matter how complicated the situation is, we must continue the course of social and economic reforms. We must view our priorities in a new way—tactically. The fact of the money exchange in itself is a technical matter.

But difficulties of a different kind are in store for us. From the very first days, the tenge must be supported and backed by gold and currency reserves and goods. Many things here depend on skilled and concerted work by the government and by the national bank, by management bodies in the provinces, and by enterprises themselves—that is, all of us. Now we don't have any grounds to blame external factors, the decisions of other states. The general economic policy direction will, on the one hand, ensure strict and consistent implementation of tight monetary and credit, budgetary and taxation policy by the state, and, on the other hand, increase the responsibility of enterprises and of all economic entities for the financial results of their work.

The government is facing the task of proposing to the parliament a corrected plan of action under new circumstances. It is high time to put an immediate stop to the bacchanalia surrounding the emission of credits. We find ourselves in a situation when, for the sake of stabilizing the monetary system, we should temporarily give up the granting of loans which are, in essence, empty. The budgetary sphere should increase the efficiency and the stimulatory role of the taxation system to ensure that taxes are levied in full and that the budget gets them all.

There should be a realistic transition to a mode of strict economy in budgetary means and to ensuring that growth in revenues is dependent on increased production of those goods which are in high demand. The tremendous and not always justified social load on the budget should be lowered to the minimum, and we should get rid of populist demands and projects which are not realistic today. We must cut our cloth according to our means.

With our own currency being introduced, we cannot continue the financial policy which leads to a massive devaluation of money, which means an increase of prices in our shops. The need to form and develop a domestic currency market becomes very urgent. We must create an efficient machinery to determine the market value of the tenge and maintain it at a stable level. In the near future, the tenge will be exchanged for the currencies of

other states. The formation of the currency market must also stimulate our exports and it, in its turn, should strengthen our currency.

Dear Kazakhstanis, I firmly declare that the introduction of our own currency by no means indicates the creation of artificial barriers between the CIS countries which will separate our peoples. There will be no barriers in the way of free movement of people, goods, and capital. Moreover, during the Kazakh-Russian talks, the government and the central bank of Russia undertook to render technical and other assistance to Kazakhstan connected with our monetary reform. A group of specialists of the Centrobank and the Government of Russia are currently in Almaty rendering this help.

An accord was reached that the International Monetary Fund will support the Kazakh currency as will the World Bank, the European and Asian development banks, and the governments of a number of the developed countries of the world.

Today, the tenge has its own gold and hard currency reserves worth over $700 million. This reserve was formed over the past 2 years. This creates the prerequisites for preserving a stable rate of exchange against other currencies—of course, if we carry out a very strict monetary, credit, budgetary, and taxation policy.

The introduction of this new currency, which is the result of a number of circumstances, will enable us to continue the course of social and economic reforms; but our plan will be more concrete and independent now. The well organized implementation of the monetary reform will help us gradually increase the well-being of the multiethnic people of Kazakhstan. I am addressing all the citizens of the republic, calling on them to remain calm, self-possessed, and assured of our tomorrow. Do not pay attention to all kinds of rumors and gossips which appear today. The mass media are particularly responsible. The spread and circulation of this gossip, which perpetrated by certain newspapers and by so-called independent television and radio programs result in nothing but negative consequences. This plays into the hands of dishonest profiteers and political intriguers who are in pursuit of their self-interested and ambitious aims. They would say no to attempting this complicated and difficult time for everybody, not only in order to undermine trust in the political and economic course chosen by us and to plant the seeds of the social tension, but also to cast shadows over the good-neighborly relations between the Republic of Kazakhstan and the Russian Federation.

Kazakhstan will consistently continue its effort to strengthen the economic union and bring the CIS nations closer together. I want to warn that every action which has the capacity to destabilize the situation and inflict losses on society and on every man will be strictly nipped in the bud as an antistate offence and the people who are to blame for this will be prosecuted with the full strength of the law. I entrust the heads of administrations of oblasts, cities and rayons as well as heads of ministries and departments and enterprises and organisations with personal responsibility for the well organized introduction of the national currency and the complex of measures connected with this.

Once again, I want to tell my dear compatriots that the president, government, and parliament will invest all efforts to ensure that no one's civil rights are violated and that no one loses money earned in honestly. All possibilities will be maintained in the future to create wellbeing by means of one's work. We must avoid chaos. There should be no panic. The amount of hard currency is sufficient and eveeeryone who is entitled, all citizens of Kazakhstan will receive it. Be calm, businesslike, friendly as ever, trust each other and the government, trust me—a president elected by you all. Let us implement this very important step in the life and history of our state. Thank you, dear compatriots.

Now I want to show you these banknotes. They have been printed in the best mints of the Western countries and have a multilayer—say 12-15-fold protection [as heard] This is 100 tenge—the portrait of Ablay-khan. We chose not today's and yesterday's statesmen but the historical ones so that the people would know. This is a tribute of respect to those who preserved Kazakhstan from invasion and preserved the integrity of our state.

This is 50 tenge, with the portrait of Abulkhair-khan. This is 20 tenge with the portrait—I think every Kazakhstani knows Abay [19th century poet]. This is 10 tenge—Chokan Valikhanov. I think this man is historically also known to everyone; 5 tenge—we have recently celebrated this great man's jubeelee—a folk composer, Kurmangazy. Three tenge—a great folk singer is depicted here, he is known to all the nation—this is Suyumbay; 1 tenge—this is Al-Farabi.

We had difficulties in minting metallic coins; that is why we will introduce low-denomination paper money; but the metal belongs to Kazakhstan, the minting machines are in Kazakhstan, and we will replace them with metallic coins shortly.

I wish you all the best.

Prime Minister on Introduction of New Currency

LD1311235693 Almaty Kazakh Radio Network in Russian 1300 GMT 13 Nov 93

[Speech by Prime Minister Sergey Tereshchenko; place and date not given—live or recorded]

[Excerpts] [passage indistinct] Introduction of the national currency by Kazakhstan is of great importance for Russian projects and it is also important in the sense that a great number of Russians are living in Kazakhstan. Our economic strategy aims at developing friendly cooperation with the RF [Russian Federeation] especially as the rate of economic reforms, and legal acts

are very similar. Both the President and I spoke about our intention to stay in a new rouble zone. [passage omitted]

Due to the introduction of the new type rubles by the Russian Federation there was an increase here of an influx of old rubles. The Minister of Internal Affairs' daily reports began with the figures on the amount of rubles that have been confiscated: dozens, 20, 30, 40, 50 and at times billions of rubles. We have confiscated billions of rubles and all this money is being stored now. That's what we will have to discuss separately. We have to find sources of these money. [passage omitted]

The National Bank reported in yesterday's TV and today's newspapers on the gold and hard currency reserves. It totals $722.9 million and this is what we have managed to save—this is gold and hard currency that we have received in the form of customs dues and taxes, contributions of the International Monetary Fund and credits. This is the sum that we have and I hope that all of your clearly understand that the conditions that have been put forward cannot be fulfilled. We simply do not have this amount of money. Some of the people are blaming us saying that we have not done enough. I believe that we have done all we could. The conditions that we have been proposed cannot be fulfilled. I even think that if we agreed to these conditions they would have elaborated some new conditions which we couldn't have kept. Therefore such a mass inflow of money to the territory of our state, rocketing prices, unbalanced state of the financial system would have led to the collapse of the state We as a state would have tumbled down unless the president made this decision. [passage omitted]

I would like to comment on the documents that have been published in the newspapers. We have agreed that every evening from 1900 to 2300, for the information of all the people, government officials, the leadership of the National Bank and commercial banks will appear not only on republican TV but also on regional TV and they will answer to all the questions that arise. We have a lot to do. We have spent two weeks in organizational work and on 3 November the president set up the state commission and by 12 or 13 November we have managed to carry out all this work: We had to deliver money, prepare legal acts and all this, of course, had to be done secretly.

I believe that we have fulfilled this task but awaiting us is a very complicated stage of exchanging money and implementing money reform. I hope you understand that this money reform, is not a technical operation of exchanging money. Therefore certain steps will have to be taken which will be aimed at following—money which have been illegally earned or brought to us [words indistinct].

We know that certain people would not like it but we are going to take these steps. Thus when we speak about decrees on introducing the national currency, the president in his first decree specified that at 0800 on 15 November the national currency of the Republic of Kazakhstan, the tenge, will be introduced.

The tenge consists of 100 teyins, it will be both in notes and coins. So far we have only banknotes. Why? Because we had to do it quickly and print them at our own factories. But I believe that in a couple of months, two to three months, we will replace the teyins with coins. We have [word indistinct] and we have a design. That's what we plan to do in future.

By his second decree the president has created the State Commission, led by prime minister, and endowed it with wide powers. This decree was published in today's newspapers. The decree was read yesterday on radio and TV. The commission was given wide powers in specifying terms, conditions, recalculating funds, regulating issues related to the creation of the exchange rate of the national currency to the Russian ruble and the dollar. [passage omitted]

The president specified that exchange of treasury and banknotes of 1961-92 issue by the State Bank of the USSR or the Bank of Russia will be carried out during the next week up to 20 November, from 15 to 20 November. Therefore, we will have to organize all this work.

I mentioned before that this is a monetary reform and not just a technical exchange of money. Therefore there are certain restrictions here. What I mean here is the acceptance of money in the following denominations, 1,000, 5,000, [word indistinct]. From 15 November this money will not be accepted as payment. What should be done with it? It should be taken to the exchange desks and changed there. [passage omitted]

The Cabinet of Ministers adopted a resolution which is called: On emergency measures aimed at restricting the increase in prices at the time of introduction of national currency. This resolution will also be published and relayed on TV. But I want to tell you all that we have looked into the introduction of national currencies by Turkmenistan, Kyrgyzstan, the Baltic republics, and Ukraine. And in the interests of our population we have adopted a very tough resolution and instructed heads of oblast adminstrations, city and district administrations to supervise its implementation.

We have set prices for bread, oil products, fuel, gas, air gasoline, fuel oil, and so on. All these have been calculated in new money. [passage omitted]

We are working on a mechanism which will be then submitted for apporoval by the Supreme Kenges. It will specify the procedure for regulating wages since today [words indistinct] is consumed. We practically do not create new funds, we are not building anything. Yes, it is difficult to do it at the time of economic decline. By freezing prices for certain types of goods and food we at the same time are forced to hold up the increase in salaries, since this is one of the reasons for inflation. Apart from this the president has set up a task and the

government is working on it that under the conditions of introducing the national currency we will have to make certain amendments to legal acts and submit them for consideration by Supreme Kenges and demonstrate a tougher credit and financial policy because if we allow inflation to rule our lives, like it was with the ruble, then our currency will be worthless. [passage omitted]

Well, I told you about the reasons for our introduction of national currency and why we came to such a situation. We will do everything so as to have good relations with our neigbors. First of all with the Russian Federation and Uzbekistan, which is also introducing the national currency. [passage omitted]

Almaty, Moscow Support New Currency Introduction

PM1511122593 Moscow IZVESTIYA in Russian 12 Nov 93 First Edition p 2

[Statement by the Russian Federation and the Republic of Kazakhstan heads of government; date not given]

[Text] Almaty—Statement by the Russian Federation and the Republic of Kazakhstan heads of government in connection with the introduction of a national currency in Kazakhstan.

In connection with the Russian Federation's recent introduction of its national currency, intensive negotiations between delegations from Russia and Kazakhstan have been held recently to examine questions of creating a new type of ruble zone. It is practically impossible to create such conditions when bills issued between 1961 and 1992 are in circulation on Kazakhstan's territory and are at the same time in use in a number of other states, which is giving rise to an uncontrollable overflow of the money supply.

The decision the Republic of Kazakhstan took in the prevailing circumstances to introduce a national currency is in the interests of both friendly countries, and lays down foundations for improving trading and economic ties between our two countries and for achieving macroeconomic stabilization in Kazakhstan.

The Russian Federation Government supports this decision and will help to strengthen the monetary system of the Republic of Kazakhstan.

Commission Issues Statute on Accounting Reports

LD1311100093 Almaty Kazakh Radio Network in Kazakh 1500 GMT 12 Nov 93

[Text] Statute No. 3 of the National Commission of the Republic of Kazakhstan dated 12 November 1993 on changing the bookkeeping accountability of the legal bodies which have been registered in the Republic of Kazakhstan, in connection with the introduction of the national currency of the Republic of Kazakhstan.

Due to the introduction of the national currency, the tenge, the National Commission decrees:

1. Legal bodies, irrespective of their form of property, and which have been registered in the Republic of Kazakhstan, should carry out a recalculation of balance sheet items by their status on 15 November 1993, on the basis of the stock taking data or accounting reports. Before 25 November 1993, works, enterprises, and organizations should complete compiling balance sheets and reports in rubles for the period from 1 January to 15 November 1993, and recalculate them in tenge, according to the rate which will be fixed by the National Commission. Balance sheets and reports in rubles and tenge should include the following documents:

a) Works and organizations compile balance sheets in accordance with form No. 1 and report on financial results and their usage [as heard] according to form No. 2.

b) Enterpises should compile financial statements on budget expenditure execution according to form No. 1 and report on cost- benefit calculation in accordance with form No. 2.

c) Enterprises which have transferred to new methods of economic management should compile balance sheets on budget expenditures in accordance with form No. 1 and report on cost-benefit calculation in accordance with form Nos. 1-2.

The compilied documents should be sent to the addresses specified by a regulation on financial statements and accountabilty of the Republic of Kazakhstan, and which was approved by decree No. 1068 of the Cabinet of Ministers of the Republic of Kazakhstan on 22 December 1992.

2. On the balance sheets clauses the cost in tenge should be shown in whole tein, while its fractional part of 0.5 tein should be rounded up to one tein.

In balance sheets clauses on commodities and materials which cost 0.5 tein and less than that, accounting norms should be changed—pair [as heard], tens, and so on.

Works and organizations should refer the difference which was received as a result of recalculations to the results of economic activity, while enterprises should refer it to the increase or decrease in financing.

3. Legal bodies which have been registered in the Republic of Kazakhstan, irrespective of their form of property, within the specified time should submit reports to the state statistical bodies on recalculations of assets and liabilties in accordance with the confirmed current year forms of book keeping accountabilty.

4. Heads of oblast administration, heads of Almaty and Leninsk administrations, with the participation of the territorial bodies of the Ministry of Finance and the

State Statistical Directorate of the Republic of Kazakhstan, should supervise proceedings related to the recomputation of balance of sheet clauses of enterprises, organizations, and works.

5. The Ministry of Finance and the State Committee for Statistics and Analysis of the Republic of Kazakhstan should monitor the implementation of this statute.

[Signed] Tereshchenko,
Chairman of the National Commission of the Republic of Kazakhstan on introducing the national currency

Kyrgyzstan

PRC Envoy Holds News Conference on Relations

LD1311093993 Bishkek Kyrgyz Radio First Program Network in Russian 1040 GMT 12 Nov 93

[Text] A news conference was held yesterday at the Kyrgyz Foreign Ministry by the PRC ambassador to Kyrgyzstan and the Kyrgyz ambassador to the PRC.

Under discussion were such pressing topics as observation of a (?visa) regime between the two countries, Chinese policy regarding national minorities, and nuclear tests at Lob Nor, which is located not far from the border between China and Kyrgyzstan.

Also attending the news conference was Russian Ambassador to Kyrgyzstan Romanov.

Tajikistan

Soldiers, Civilians Cross Afghan Border

AU1411210093 Kiev HOLOS UKRAYINY in Ukrainian 11 Nov 93 p 5

[Report by Yuriy Kushko from Dushanbe]

[Text] **More than 100 citizens of Afghanistan crossed the border zone river of Pyandzh and surrendered to Tajikistan authorities. The majority of them are servicemen of regular troops, including three generals. They arrived from Kanduz Province after fierce confrontations had flared up there between the grouping of Rashid Dustum, whom they support, and the coalition created by a number of field commanders close to Gulbeddin Khekmatiar.**

The port town of Sherkhan-Baydar became the object of struggle. Until recently, it had been in the hands of R. Dustum, but his troops were ousted. It cannot be ruled out that the general will strike back. According to unofficial sources, units that are faithful to him are trying to block roads that lead to Sherkhan- Baydar.

It is feared in Tajikistan that the change of master in Sherkhan-Baydar will complicate the repatriation of Tajik refugees. Precisely this port has lately been their only way home. R. Dustum promoted the return of the Tajik refugees, whereas his opponents are against it.

Regarding the Afghan defectors, they are completely safe. They are provided with food and medical services. The republic's Foreign Ministry offered official Kabul to discuss the question of their return to their homeland.

It has just been learned that yet another group of Afghan citizens has arrived from Kanduz Province. This time, they have nothing in common with the Army. They are old people and children.

Government To Return 'Turncoats' to Afghanistan

LD1311110793 Moscow ITAR-TASS in English 1028 GMT 13 Nov 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe November 13 TASS—ITAR-TASS learnt from reliable sources here on Saturday [13 November] that Dushanbe and Kabul reached an understanding on a return of all Afghan turncoats to Afghan officials. It is expected that the return of Afghan turncoats will be held this evening in the area of the Uzbek city of Termez, bordering Afghanistan.

It was reported earlier that a large group of Afghan troops and several civilians numbering 109 crossed the Pyandzh border river early in November, surrendered to Russian border guards and asked for political asylum from Tajik authorities.

One of the turncoats, Colonel-General Begim, was handed over to the Kabul military authorities on Friday. According to the sources, the understanding was reached as a result of diplomatic efforts by the foreign ministers of the two countries and a personal initiative displayed by Tajik leader Imamali Rakhmanov.

It was stressed that this act of goodwill shows the republic's commitment to the understandings between Tajikistan and Afghanistan reached during the August visit to Kabul by the Tajik state delegation.

Group Handed Over

LD1411114293 Moscow ITAR-TASS in English 0703 GMT 14 Nov 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe November 14 TASS—Tajikistan has handed over to Afghanistan a large group of Afghans who crossed the Tajik border in the beginning of November under a white flag to ask for asylum, the Tajik National Security Committee told ITAR-TASS.

The committee said it was a goodwill gesture underlying Tajikistan's willingness to develop good-neighbourly relations with Afghanistan which was in line with the spirit of Tajik-Afghan agreements reached during Tajik Parliament Chairman Imamali Rakhmanov's visit to Kabul in August.

According to the Tajik Foreign Ministry, Tajik refugees are beginning to return home from Afghanistan. The first 600 refugees crossed the Tajik border on Sunday.

Zafar Saidov, Tajik Foreign Ministry spokesman, said over 20,000 refugees are currently staying in Afghanistan. The government of neighbouring Uzbekistan and the U.N. High Commissioner for Refugees working in the Afghan town of Mazar-e Sharif and southern Tajikistan are providing active assistance in returning Tajik refugees to the republic, Saidov noted.

Russian Troops Curb Attempt To Cross Afghan Border

LD1411153793 Moscow INTERFAX in English 1438 GMT 14 Nov 93

[Text] Russian border guards in Tajikistan curbed at noon November 14 another attempt to cross the Tajik-Afghan border.

Reliable sources close to law-enforcement and military quarters in Dushanbe have told Interfax that three unidentified persons attempted to penetrate from Afghanistan to Tajikistan in the Visht area of the Gorno-Badakhshan Autonomous region. Intruders did not react to the order to stop. After that border guards opened fire . The intruders were forced to return to Afghanistan. No casualties have been reported.

CIS Peacekeeping Forces HQ in Dushanbe Attacked

LD1511105593 Moscow ITAR-TASS World Service in Russian 1010 GMT 15 Nov 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 15 Nov—The headquarters building of the coalition peacekeeping forces in Tajikistan, which is located in the center of the Tajik capital, was fired on around 2100 on Sunday [14 November].

Two pistol shots were fired at windows on the second floor of the building by unidentified persons. Nobody inside the building was hurt. The incident was confirmed to an ITAR-TASS correspondent by Colonel Ivan Malevich, chief of the headquarters' press center, who described it as a provocative attack on members of the peacekeeping forces. An investigation is under way.

Rakhmanov, Yeltsin, Nazarbayev Discuss Fuel Trade

LD1211215993 Dushanbe Radio Tajikistan Network in Tajik 1200 GMT 12 Nov 93

[Text] Imamali Rakhmanov, the head of state and chairman of the Supreme Soviet of the Republic of Tajikistan, had telephone conversations with Russian President Boris Yeltsin and Kazakhstani President Nursultan Nazarbayev yesterday.

Mainly, the issue pertaining to sending fuel products to the Republic of Tajikistan was discussed in the course of these conversations.

Tajik Council of Ministers Chairman Abdumalik Abdullodzhonov will fly to Tashkent and Moscow in the near future to solve this issue.

Decree Issued on Protection of Monetary System

LD1211175793 Dushanbe Radio Tajikistan Network in Russian 0400 GMT 12 Nov 93

["Decree of the Council of Ministers of the Republic of Tajikistan on temporary measures for protection of the monetary system and the domestic consumer market in the Republic of Tajikistan"]

[Text] Taking into account the circulation by a number of states of the CIS of their own national currencies, and with the purpose of warning of the delivery of an unwarranted large amount of cash comprised of 1961-1992 banknotes to the republic, as well as protection of the domestic market of the Republic of Tajikistan, the Council of Ministers of the Republic of Tajikistan decrees:

1. To prohibit the transfer of 1961-1992 banknotes to the republic by citizens of the foreign countries that have put into circulation their own national currencies, and to limit the transfer of 1961-1992 banknotes to the republic by citizens of the foreign countries that preserved these banknotes as a means of payment to the amount of 15,000 rubles [R] per person. This procedure is valid for the citizens of the Republic of Tajikistan. The Tajik State Committee on Customs, the Tajik Ministry of Internal Affairs, and the National Security Committee are to have the right to make customs inspections of citizens and their luggage, including confiscation of 1961-1992 banknotes above the stipulated amount in accordance with the above mentioned procedure.

2. To establish that 1961-1992 banknotes in deposits or securities will be received by the banks of the Republic of Tajikistan only from the citizens of the Republic of Tajikistan who have permanent residence permits. The citizens have to present their income declarations in cases where they are R200,000 or more. The Tajik Ministry of Justice is to prepare and submit to the Supreme Soviet of the republic a legislative act establishing criminal responsibility for citizens who are working as middlemen by depositing money belonging to other people in Tajik bank accounts.

3. To stop the sale of moveable properties, transport facilities, expensive goods, goods of long-term use, complicated technical goods, materials, equipment, stocks, and items made of precious metals and stones in cash, except the sale of houses, apartments, and transport facilities by citizens who are permanently leaving Tajikistan, as shown by providing an exit stamp in their passports, until there is a special order on the territory of the republic. Similarly, it is prohibited to remove from

the republic horned cattle, sheep, goats, and horses. The Tajik Ministry of Trade and Material Resources and the Board of Administration of the Tajikmatlubot [Tajik consumer goods], together with the oblast, town, and rayon executive committees, are to organize special trade enterprises for selling goods in accordance with the enclosed list for Russian money in 1993 banknotes or hard currency with obligatory everyday [words indistinct]

4. The Tajik Ministry of Trade and Material Resources and the Board of Administration of the Tajikmatlubot, together with the oblast, town, and rayon executive committees, are to organize the selling of the above mentioned goods in the labor teams of enterprises and organizations for supplying everyday needs of the population with essential and consumer goods. To inculcate everywhere non-cash payment with the population for purchasing expensive goods through enterprises and organizations at the place of work of buyers as well as to expand the practice of receiving of money in deposits by non-cash order. To enlist the money in accounts of deposits of the citizens from the enterprises and organizations only in the case of existence of notarially prepared agreement on sale.

5. The Tajik Finance Ministry together with the Tajik National Bank are to work out additional measures for protection of the republic's monetary system and domestic consumer market and on the issues requiring the decision of the government to submit the relevant proposals to the Tajik Council of Ministers.

6. The Tajik State Committee on Customs, the Tajik Ministry of Internal Affairs, the Tajik National Security Committee, the Tajik Justic Ministry, the Tajik Ministry of Trade and Material Resources, the Board of Administration of the Tajikmatlubot, and oblast, town, and rayon executive committees are to strictly carry out all measures on protection of the monetary system and consumer market, which are envisaged by this decision.

A list of goods, which are sold at specialized shops only for hard currency and Russian 1993 banknotes: TV sets, tape recorders, video recorders, washing machines, refrigerators, vacuum cleaners, air conditioners, jewellery—including gold, silver [word indistinct]—jewellery items from precious and semiprecious stones, imported furniture, textiles, garments and knitted items, imported footwear, cars, and delicacy fish goods.

Armed Opposition Leader Arrested in Leninabad

LD1511082693 Moscow ITAR-TASS World Service in Russian 0712 GMT 15 Nov 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 15 Nov—Mullo Saidashraf, one of the ideologists behind the demo-Islamic armed opposition, former senior priest in the mosque of the town of Kurgan-Tyube (administrative center of Khotlon oblast), has been arrested by law-enforcement bodies in Tajikistan's Leninabad oblast. An ITAR-TASS correspondent has learned this from competent sources.

Apart from charges of high treason and participating in an antigovernment plot aimed at changing the republic's constitutional order by force, he also faces charges of setting up a concentration camp on the outskirts of Dushanbe, where hundreds of demo-Islamists' ideological opponents were brutally tortured to death during the armed confrontation in Tajikistan. The press has already reported that in spring and autumn of last year hostages from among the opposition—people's deputies and several members of the government of national reconciliation—were interrogated under torture at the camp. Mullo Saidashraf also faces a number of other charges connected with crimes against the state.

Uzbekistan

Government Decides To Introduce Som Coupons

LD1211185793 Moscow Mayak Radio Network in Russian 1508 GMT 12 Nov 93

[Text] An extraordinary meeting of the Government of Uzbekistan took place in Tashkent today. It adopted a decision on putting into circulation on 15 November on the territory of the republic the som coupon—that is its double name. Som coupons will circulate along with old-style rubles. This means that bank notes with a face value of 1-100 rubles [R] and dated 1961-92 will be used as means of payment without any restrictions. Bank notes with a face value of R200, R500, and R1,000 will also be accepted but only until they are replaced by Som coupons.

Banknotes with a face value of R5,000 and R10,000 are to be taken out of circulation on 15 November. It is proposed that banknotes of these values in the possession of the population should be put into saving bank deposits.

This decision rescinds, as of 22 November 1993, the validity on the territory of the republic non-reusable coupons and before that date a list of goods will be confirmed which can be sold to the population only for som coupons.

The measure adopted by the Uzbekistan Government, it must be said, is extremely unpopular but it is a forced one. It is connected in the first place with the situation which has arisen in the republic by the old rubles flooding into the republic from adjacent states and also in order to protect the domestic consumer market which reacted rather quickly to this measure with half-empty shops. Within a few hours even goods which had remained unsold for ages literally disappeared from the shelves.

Armenia

Karabakh Foreign Minister Comments on Vienna Talks

NC1211221793 Yerevan Armenia's Radio First Program Network in Armenian 2000 GMT 12 Nov 93

[Text] Nagorno-Karabakh Republic [NKR] Foreign Minister Arkadiy Gukasyan told reporters in Yerevan today: I believe that the member countries of CSCE Minsk Group dealing with Nagorno-Karabakh definitely understand the position of NKR on the peaceful resolution of the conflict.

He is visiting Yerevan on his way back to Karabakh from Vienna, where he took part in the recently concluded informal consultations of the CSCE Minsk Group.

Gukasyan regretted the fact that, just as during the previous meeting in Paris, in Vienna too the Azerbaijani side put forward tough conditions which take into account only Baku's interests. This is leading to the Minsk process being diverted from constructive paths.

The minister noted that a new version of the schedule on urgent measures will be submitted to the conflicting sides in the coming days, and a reply to it is expected by 22 October. The minister added: We fear the position of the CSCE which, in drawing up the new plan, might be guided by the directives of Azerbaijan, which at Vienna talks unequivocally rejected the schedule proposed for discussions and instead put forward conditions which are unacceptable to Nagorno-Karabakh.

Nagorno-Karabakh Denies Baku's Allegations

NC1211161093 Yerevan SNARK in English 0851 GMT 12 Nov 93

[Text] Stepanakert, November 12 (SNARK)—The accusations the Azerbaijani Defense Department did [by] spreading on November 10 the declaration which says that the Stepanakert side violated the unilateral ceasefire do not correspond to reality.

The Karabakh Department of Press and Information told SNARK the statements done by the official Baku are the lie as the "Armenian side" isn't preparing new offensive. Such statements are of two aims: The first is to cover their own aggressive intentions which are being accompanied by the active redistributions of the Azerbaijani forces practically along the whole front line, the second is to be supported by third states and get military help from them if the offensive actions against Karabakh are being undertaken.

Karabakh Claims Azerbaijan Shells Southeast Region

NC1311133393 Yerevan SNARK in English 1330 GMT 13 Nov 93

[Text] Stepanakert, November 13 (SNARK)—Two dead men and three wounded—that is result of Karabakh Army positions' shelling today's night from Azerbaijani side on the south-eastern front's line. SNARK has been informed of the fact today at the Karabakh Department of Information and Press. According to the information received from the same source, the shelling was performed by missiles setting "Grad" ("Hail") and was stopped only after Karabakh defence forces' corresponding retaliating measures. Casualties of Azerbaijani Army are being specified. According to the data of November 12 afternoon, on the other parts of the front's line there were no any serious emergencies.

Russian Delegation Holds Economic Talks in Yerevan

NC1211142193 Yerevan ARMENPRES International Service in Armenian 1218 GMT 11 Nov 93

[Text] Yerevan, 11 Nov (ARMENPRES)—The Armenian-Russian talks opened in Yerevan today. An official Russian delegation headed by Vsevolod Oleandrov, ambassador for special missions, arrived in Yerevan for that purpose.

Armenian Deputy Prime Minister Vigen Chitechyan received the delegation. He briefed the guests on the socioeconomic situation in the republic and stressed the importance of the Armenian-Russian agreement to be signed and its role in the development of the republic's economy.

The head of the Russian delegation underlined that Russia regards Armenia as a reliable economic partner.

The Karabakh problem was also discussed during the meeting. Mr. Oleandrov reiterated Russia's readiness to assist in the political solution of the problem.

The Russian delegation will exchange views with the Armenian side on a number of draft agreements, particularly regarding economic cooperation, migration processes, problems of workers employed outside their own countries, and other matters.

Bagratyan Replies to Criticism on Karabakh

NC1211202693 Yerevan Armenia's Radio First Program Network in Armenian 1800 GMT 12 Nov 93

[Text] An official Russian delegation headed by ambassador for special missions Vsevolod Oleandrov has been in Yerevan for the last two days.

Prime Minister Grant Bagratyan received the delegation on 12 November.

The Russian delegation, which arrived in Armenia to draw up a number of agreements regulating the future development of economic cooperation between the two countries, noted that the reaction of many countries and the international community to the latest Karabakh-Azerbaijan developments was not favorable to Armenia and Karabakh and this is directly effecting the republic's economy.

The prime minister described such a reaction as being out of touch with reality, noting that first of all a distinction should be made between Armenia and Karabakh, and secondly that it would have been more constructive if the offensive by Azerbaijan, which violated the cease-fire, had been prevented, in which case there would not have been a counterattack by the Armenian side, which has been unjustly branded as an aggressor.

Mr. Oleandrov said that Russia should conduct a more active policy to keep the peace in Transcaucasia in view of the fact that the military situation has weakened not only the conflicting sides, but is also negatively effecting their relations with Russia.

Speaking of the discussions of the prospective development of economic cooperation, the sides singled out important points regarding the direction and fields of such cooperation. They noted that the future direction of economic ties should be based exclusively on market relations.

They also raised the issue of Russian participation in the restoration of operations at the Armenian nuclear power plant and the allocation of a building for the Russian Embassy in Armenia.

The sides noted with regret that under the existing difficult conditions of economic cooperation, the traditional cultural ties between the two countries have slackened.

The talks will continue at the working group level. It is expected that draft economic and trade agreements will be completed by 20 November.

Armenian Deputy Prime Minister Vigen Chitechyan, Minister of Economy Armen Yegiazaryan, Minister of Material Resources Vahan Melkonyan, coordinator of the affairs of the Council of Ministers Armen Khachaturyan, First Deputy Foreign Minister Arman Kirakosyan, Deputy Economy Minister Arkadiy Ter-Israelyan, Armenian Permanent Representative in Moscow Feliks Mamikonyan, Deputy Chairman of the Russian State Committee on Cooperation with CIS Countries Aleksandr [surname indistinct], Russian Ambassador to Armenia Vladimir Stupishin and others were present at the meeting.

Official Comments on Talks

LD1411211693 Moscow INTERFAX in English 1625 GMT 14 Nov 93

[Text] The deputy Armenian Foreign Minister Arman Kirakosyan has said that during the Russian-Armenian talks on November 11-12 the two sides discussed prospects for the development of cooperation between the two countries in different spheres for 1994. The relations, he said, will be market-oriented.

The Russian delegation was headed by the special envoy Vsevolod Oleandrov and the Armenian delegations by Prime Minister Grant Bagratyan.

During the talks, said the diplomat, the two sides discussed migration processes, the status off the Armenian citizens working in Russia and vice versa. Russia's participation to help the resumption of operation of the Armenian Nuclear Power Station. Both sides also discussed gas supplies to Armenia.

Kirakosyan has said that Armenia granted Russia a nine-storey building in Yerevan for the Embassy as the repayment of part of Armenian debt to Russia.

According to Kirakosyan, working groups will continue negotiations and an Armenian delegations is to arrive in Moscow before the end of November. Prepared by the time will be draft agreements on bilateral trade and economic cooperation.

The spokesman for the Armenian government has said Oleandrov has told Bagratyan that the reaction by some countries and the world public to the latest developments in the zone off the Armenian-Azeri conflict is unfavorable for Armenia and Karabakh. He said that it directly affects the economic sphere of the republic's development.

Azerbaijan

Military Briefs Foreign Journalists on Situation

NC1211205893 Baku Radio Baku Network in Azeri 1700 GMT 12 Nov 93

[Text] The Azerbaijan General Staff has held a news conference on the situation in the front lines. Colonel Aleksander Vasiak, deputy chief of staff, briefed journalists on the military operations carried out by the Armenian Armed Forces since March and the occupation of six more rayons in the republic. He said that the main objective of the press conference was to inform the foreign journalists of the enemy's aggression and draw the international community's attention to the bloody incidents caused by the Armenians in Azerbaijan. Furthermore, he said that hundreds of thousands of people have been added to the army of refugees as a result of the latest activities of the occupationist forces in Azerbaijan and [words indistinct]. However, despite that state of affairs, many of the world's mass media organs prefer to hear what the Armenians have to say on the incidents and ignore Azerbaijan's accounts.

Referring to the latest situation, the colonel said that Azerbaijan's territory is being fired on from Armenia and the occupied rayons at the present time. Kazakhskiy-Tauzskiy and Beynaganskiy Rayons have been fired on from Armenia's Idzhevanskiy and Noyemberyanskiy Rayons during the past few days. According to the latest information we have received, the Armenians are massing reinforcements and armored vehicles in the vicinity of the bridges in Khudaferin against Beynaganskiy and Kazakhskiy Rayons. Some 5,000 troops and more than 20 tanks have been deployed on Kazakhskiy Rayon's border.

The latest activities of the Armenians, who have not heeded international resolutions, indicate that they have not relinquished their effort to convert the dispute into a widespread war.

Outlining the Azerbaijan Government's position, Aleksander Vasiak said that our republic is trying to find a political solution to the dispute. Later, he replied to the questions put to him by the journalists.

Developments in Conflict With Armenia Updated

PM1211163793 Moscow ROSSIYSKAYA GAZETA in Russian 13 Nov 93 First Edition p 6

[Arif Useynov report under "Hot Spots" rubric: "The Karabakh Conflict Expands"]

[Text] Baku—After a lull of several days on the Karabakh bridgehead military operations have been resumed in three areas. According to a statement by the Azerbaijani Ministry of Defense, a concentrated attack force of armored hardware and missile launchers is aimed at the Kazakh-Kedabek sector, where the borders of Azerbaijan, Armenia, and Georgia come together. A second strike is aimed at the Terter-Gyulistan sector—the northern region of Karabakh. Fighting has been continuing here for several days. More than 20 tanks and other armored hardware are concentrated in the Agdam-Agbulag area. Fierce fighting is taking place for a second day near the Khudaferin Bridge linking Azerbaijan with Iran in the southwest of the republic.

The Armenian Expeditionary Corps is trying to extend the zone of occupation so that hundreds of thousands of refugees will stream in panic out of tent cities in the direction of Baku.

The purpose of the operation, so foreign observers in Baku believe, is to force Azerbaijan to recognize the Nagorno-Karabakh Republic.

Despite the complexity of the situation, the National Assembly has not approved a draft decision to impose martial law in Azerbaijan. Jurists specializing in international affairs believe, for example, that accusations of militarizing the country would follow if such a document were adopted. Meanwhile, even without martial law being imposed, this is the third week that all the power structures, the economy, and production have been operating under mobilization conditions.

Azerbaijan has submitted a draft resolution entitled "Emergency International Aid for Refugees and Displaced Persons in the Azerbaijani Republic" to the UN General Assembly session for examination. A number of countries have already stated their support for the draft resolution. If such a resolution is adopted at the United Nations, foreign observers in Baku believe, the General Assembly will have to name the true guilty party in this tragedy. In any case, British parliamentarians who have visited refugee camps have admitted that the West does not know the true scale of the human grief, which is not comparable with the situation in Somalia or Angola. Whereas a civil war is being waged in those countries, large-scale aggression by one country against another is taking place in the Transcaucasus. The facts of Armenia's involvement in the aggression were put to the British parliamentarians. Major Meger Muradyan, commander of the 2d Battalion of Armenia's Echmiadzin Regiment, for example, was taken prisoner recently. There is also evidence of the use of the latest T-80 tanks in combat operations.

Baku Reportedly Agrees To Russian Peacekeepers

NC1211183193 Baku TURAN in English 1329 GMT 12 Nov 93

[Text] Baku November 12 (TURAN)—Russia has proposed sending peacekeeping force to Nagorno-Karabakh, the Russian Foreign Ministry spokesman Mikhail Demurin told a weekly news briefing on Thursday. Together with this, he gave no details on how big such a force might be or when it might be made available, TURAN's Moscow correspondent reported.

Demurin said, the proposal was made at an informal meeting of the Conference on Security and Cooperation in Europe (CSCE) in Vienna which began on November 2 and ended on Monday.

When it comes to the need to settle conflicts on the territories of former Soviet republics which come very close to our borders and threaten our interests, Russia will play a very active role, M. Demurin said.

Specific appeals from the leaders of these countries show that Russian participation is needed, he added.

We insist on the termination of all military activities and the withdrawal of all Karabakh forces from the territory they have seized inside Azerbaijan, he said.

As the Moscow correspondent of TURAN reports citing a source at the Russian Foreign Ministry, Azerbaijan has already agreed to the introduction of the limited contingent of the Russian peacemaking forces to the Armenian-Azeri conflict zone. According to the preliminary information, the headquarters of the Russian limited force contingent are to be placed in Yevlakh, Ganja and Baku.

Together with this, the ambassador of Russia to Azerbaijan Valter Shonia told TURAN agency he has no information on the subject. V. Shonia added that the special envoy of the Russian Foreign Ministry Vladimir Kazimirov, who is empowered to hold talks with the leaders of Azerbaijan on this problem arrives to Baku today.

Official Discusses Karabakh Talks in Vienna

MK1311130093 Moscow NEZAVISIMAYA GAZETA in Russian 13 Nov 93 p 1

[Aydyn Mekhtiyev report in the "Azerbaijan" column: "'The State Cannot Occupy Its Own Territory,' State Counselor Vyafa Gulizade on Talks on Nagorno-Karabakh"]

[Text] The leadership of the Azerbaijan Republic is considering the possibility of approving a new schedule for a peace settlement proposed by the CSCE Minsk group based on the results of consultations in Vienna. The final fate of this plan will be made clear on 22 November when Azerbaijan, Armenia, and Nagorno-Karabakh provide official responses to the Minsk group's new initiative.

Vyafa Gulizade, Azerbaijan's state counselor on foreign policy matters, who headed the republic's delegation to the Vienna talks, said in a conversation with NEZAVISIMAYA GAZETA's correspondent that the new schedule will reflect the demands of the Azerbaijani side presented in the course of the consultations. Thus, the new schedule will include a provision on the need to include Lachin and Shusha among the Azerbaijan settlements from where the Armenian expeditionary corps is to be pulled out (in the previous schedule rejected by the Azerbaijani side there was no mention of these two cities). Another important point, according to Vyafa Gulizade, is the provision that the "withdrawal of Armenian troops from the occupied territories must be carried out before the start of the Minsk conference on Nagorno-Karabakh." At the same time, with the withdrawal of troops requisite conditions are to provided for the return of refugees to their permanent settlements. The Azerbaijani side has declared that holding the Minsk conference in conditions of occupation would allow the Armenian side to obtain unilateral advantages, and the Minsk group member states related to this argument with understanding.

"At the Vienna talks the Armenian side has found itself in isolation and none of the Minsk group countries supported its demands on the recognition of the so-called Nagorno-Karabakh Republic as a party to the conflict," Vyafa Gulizade said. According to him, the participants in the discussion in Vienna were unanimous that prior to the Minsk conference the issue about the status of Nagorno-Karabakh may not be a subject for discussion. It is especially important, Gulizade stated, that on this question Azerbaijan's position was decisively supported by the Russian delegation. That the Armenian delegation at the talks is in isolation is also evident from the fact that nine Minsk group member countries have come out with a statement condemning the Armenian troops' seizure and destruction of Azerbaijani territories and demanding a withdrawal of Armenian troops "in order immediately to resume and extend the cease-fire agreement that has been violated." The document notes that "no territorial acquisitions made through the use of force may be recognized, while occupation of territories may not be used to receive international recognition."

The republic's state counselor on foreign policy matters rejects the possible holding of a summit meeting between Baku and Khankedi (Stepanakert), believing that only meetings of a technical character may be a subject of discussion.

So, at the Vienna meeting the Azerbaijani side has accomplished a tactical success, but it is too soon to say that on 22 November Baku will definitely approve the schedule. "Everything will depend on what the final text of the new plan will be like," Vyafa Gulizade stated. The schedule may be rejected if it has a provision on the need to withdraw the Azerbaijan troops from Geranboy Rayon and part of the Agderien Rayon of Karabakh. The assertions by the Armenian side to the effect that Azerbaijan has occupied these territories, according to Gulizade, are inconsistent because a "sovereign state cannot occupy its own territory."

Karabakh Leaders on Ways To Settle Conflict

LD1111231393 Moscow INTERFAX in English 1604 GMT 11 Nov 93

["Exclusive" interviews with Arkadiy Gukasyan, foreign minister of the Nagorno-Karabakh Republic; and Manvel Sarkisyan, Gukasyan's political adviser, by unidentified correspondents; place and date not given—first paragraph is introduction]

[Text] Recent signs of stabilization have been overshadowed by a new wave of hostilities. To quote Azerbaijani President Gaydar Aliyev, one quarter of Azerbaijani territory has been occupied by Armenian formations. The conflicting parties continue to blame one another for the ongoing conflict. Today, INTERFAX-Exclusive talks with Arkadiy Gukasyan, foreign minister of the predominantly Armenian self-proclaimed Nagorno-Karabakh Republic, which was once an autonomous republic of Azerbaijan. The position of Azerbaijan will be highlighted in one of our next issues.

IF [INTERFAX]: How would you assess the results of the recent talks between Karabakh representatives and the CSCE delegation led by CSCE chairperson Margaretha af Ugglas?

Gukasyan: The delegation, led by Margaretha af Ugglas, did not pursue any particular goals. What they wanted to do was to specify the conflicting parties' positions and reduce the disagreements between them to a minimum. At the request of Mrs. af Ugglas, Chairman of Karabakh's State Defense Committee Robert Kocharyan and I arrived in Yerevan for a meeting with the CSCE mission. The talks were constructive and useful, and the CSCE delegation became acquainted with our position on ways for a peaceful settlement.

IF: What is Karabakh's attitude to the new schedule of urgent measures for settling the crisis?

Gukasyan: We have informed the Minsk Group and its chairman, Mario Rafaelli, of our position. Although this document is not devoid of flaws, Karabakh is ready to discuss it. We have some objections, but on the whole we do not reject this schedule.

IF: How would you comment on Azerbaijan's refusal to accept the schedule on the grounds that the withdrawal of Armenian troops is linked to the lifting of the blockade from Karabakh and Armenia?

Gukasyan: The UN Security Council's Resolutions 822 and 853, to which Azerbaijan refers, contain not only the demand for the withdrawal of the troops from the occupied territory, but also the demand for restoring communications and terminating hostile operations, including the blockade. As you see, references to the Security Council resolutions are unfounded, the more so since they make no mention of the order of implementing the said demands. In other words, they do not say that the troops must be withdrawn first and then the blockade must be lifted. We believe that both sides should opt for compromise and for a gradual solution to the problem. Unfortunately, Azerbaijan has assumed a destructive position and continues to insist on the unconditional withdrawal of the troops from the occupied territory. We think, however, that the world community tends to support our position and the idea of compromise.

IF: Azerbaijan explains its refusal to accept the CSCE schedule by the fact that the cities of Lachin and Shusha do not figure in the list of territories from which Armenian forces must be removed.

Gukasyan: Our message to Mario Rafaelli says that Lachin represents a special problem (Lachin is a strategic point in the corridor linking Karabakh and Armenia—IF). We therefore reserve for ourselves the right to tackle this problem separately and supply the Minsk Group with sufficient historical, legal, economic, and strategic information. We do not believe that the problem of Lachin can be raised in any form before the convocation of the Minsk conference. As to the problem of Shusha (a town in a suburb of the Karabakh capital of Stepanakert, which was predominantly Azerbaijani before the conflict—IF), it is linked to the return of Armenian refugees to Baku, Sumgait, Kirovabad, and other cities and villages of Azerbaijan from which they were banished. Azerbaijan seems to have raised the Shusha problem for reasons of prestige, although it is clear that it is unrealistic to discuss the problem of Lachin and Shusha now. We will never agree to include these issues in any documents.

IF: Do Azerbaijan and Karabakh continue to maintain direct contacts?

Gukasyan: We have daily telephone conversations with Azerbaijani leaders on different questions, including the organization of high level meetings, one of which will be held soon.

IF: Do you think Aliyev's position has changed following his election to the post of president?

Gukasyan: I don't think so. Whereas previously some of his aggressive statements were perceived as just part of his election campaign, now his statement that "we shall oust Armenian aggressors" worries us a great deal. I think that as Azerbaijan's legitimate leader, Aliyev might assume a more balanced position.

IF: What are prospects for settling the Karabakh conflict, given Aliyev's tough statements?

Gukasyan: I think there is ample opportunity for a peaceful settlement. A certain balance has been established between the two sides' forces. We have stated on many occasions that we advocate the termination of combat operations and the establishment of lasting peace in the region. The plan offered to us only partly reflects our concerns. Of course, compromises—the lifting of the blockade and the removal of the troops—will not restore peace. Without solving the problem of Karabakh's political status, this path will lead all of us to a dead end. We therefore believe that the best option would be to tackle all of these problems—political status, lifting of the blockade, and the removal of the troops—in one context. We have expressed this idea many times. However, the Minsk Group has not given us an adequate response.

INTERFAX talks with the Karabakh foreign minister's political advisor, Manvel Sarkisyan

IF: Why do you think the situation in Karabakh has deteriorated recently?

Sarkisyan: Indeed, the situation has become more complicated. But we are not to blame. The armistice was violated back on October 21, when Azerbaijani forces shelled the village of Kuldzhak. We lost many soldiers. After that attack, we contacted the Azerbaijani leaders, but they refused to admit responsibility for it or to withdraw their formations to the initial positions. The front line was under the threat of being broken. Moreover, the Azerbaijani artillery was located near the Iranian border and we were afraid to return fire lest it hit Iranian territory. As a result, we made the decision to eliminate a large group of Azerbaijani troops operating near the Goradiz railway station. That's how the Karabakh troops were provoked.

Part of the Azerbaijani personnel subsequently moved to Iranian territory, leaving behind armored equipment, and the other part retreated deep into Azerbaijan. On October 26, the Karabakh Defense Ministry's headquarters suspended the offensive.

IF: Has Karabakh had any contacts with the Iranian leaders?

Sarkisyan: We did discuss the situation with some Iranian politicians and diplomats. They understand that Azerbaijan may speculate on combat operations near the Iranian border and they understand the potential problem of refugees. It looks like Azerbaijan, like before, is willing to escalate the conflict and involve more people in it. In the same way, we believe that Azerbaijan is trying to entangle Iran. As you remember, the same thing happened in relation to Turkey, when direct requests were made for military aid.

During talks with Armenian representatives, Iranian diplomats expressed concern about the fact that the water reservoir close to the border was hit by shells.

IF: That incident occurred shortly before the CSCE delegation's arrival in Transcaucasia, didn't it?

Sarkisyan: Well, undoubtedly it was not mere coincidence. Azerbaijan was displeased with the updated schedule of measures to settle the conflict. Meanwhile, this document contained many reasonable ideas. By complicating the conflict, Azerbaijan wanted to impose on us further discussion of the schedule. Indeed, Azerbaijan could not accept a document in which Karabakh figured as a far more independent party.

IF: Some assert that the Karabakh forces' offensive was aimed at establishing control over the stretch of the railway running along the Araks River. Is this true?

Sarkisyan: As the geography of the conflict changes, so do the problems facing the conflicting parties. It would be wrong to state that control over the railway was a matter of special discussion during the preparations for the latest counter-offensive. However, the recent combat operations opened new opportunities for Karabakh. For instance, a second humanitarian corridor may be laid from another state, in addition to Armenia. If the railway is put into operation, we will be able to use it to prepare for winter. But again, this question was not discussed separately.

IF: Has Karabakh's views on peaceful settlement undergone any changes?

Sarkisyan: Our foreign policy has always been based on reality. The Karabakh leaders are well aware that the process of establishing a new world order gives us a unique chance to attain freedom. It is absolutely clear now that forced preservation of the old order breeds conflicts. Amid general instability, we are trying to avoid losses and our efforts are still targeted on the attainment of a long-term armistice. I think peace can only be restored if new realities are accepted. Incidentally, peace missions' failures to settle the Karabakh and other conflicts are due to their tendency to revert to the status quo. The new order is always established through struggle against conservatism, whatever its disguise.

IF: The war in the region has gone beyond Nagorno-Karabakh, which worries the world community.

Sarkisyan: Conflicts are the direct consequence of neglect of realities and of Karabakh's aspiration for freedom. For Karabakh, military confrontation has reached the point of self-destruction, whatever the outcome of combat operations. War dictates its own laws, which cannot be ignored for long. Unfortunately, the world community does not want to understand this. Karabakh's self-defense army has modern combat equipment and must observe the laws of military science. The world views the destruction of the city of Shaumyan and the seizure of Mardakert as Azerbaijan's internal affair. For us this is a matter of our life and future.

Nagorno-Karabakh lays no territorial claims on Azerbaijan. But we have to fight because we have no other choice. At one time, we had to eliminate a major military base in Agdam which had ruthlessly shelled Stepanakert. Then we had to unblock the highway linking Agdam, Martuni, Fizuli, and Dzhebrail in order to create corridors between villages and the front line. That way we could protect civilians from shelling and allow the farmers to do their work at the foot of the mountains.

IF: Is the Karabakh army now concentrated on self-defense, or is it pursuing any political goals?

Sarkisyan: Self-defense does not imply merely sitting in trenches and firing back. The army is faced with extremely complicated problems. Neither Azerbaijan nor we recognize the borders of the former Nagorno-Karabakh Autonomous Republic. Borders are established during combat operations. In fact, there is only one border now—the front line. Under the conditions of a severe blockade, we have to unblock highways and railways, and establish state borders with neighboring states, where such borders are vitally important. This is a matter of state self-defense, too.

IF: There is much talk now about the problem of Azerbaijani refugees. How serious is it in your opinion?

Sarkisyan: Azerbaijan reaps the fruits of its own inhuman policy. All of its leaders have been obsessed with one and the same idea: to eliminate Karabakh, populated by Armenians. The Azerbaijani leaders do not care for the plight of their own people. They treat Azerbaijani cities and villages as convenient military bases, and the population as an instrument for implementing their ambitions. As to all this talk about the refugees, very few know that almost 20 percent of Karabakh's population is made up of refugees and exiles.

Plunder and arson, whoever instigates them, are immoral and have nothing to do with the policy pursued by the Karabakh leaders. We condemn such actions.

IF: Do you think that with Gaydar Aliyev's coming to power, dialogue between Karabakh and Azerbaijan will become more constructive?

Sarkisyan: When Aliyev came to power, direct contacts were established between Karabakh and Azerbaijan. Aliyev must be given credit for this. We remember,

however, that Aliyev had been the Azerbaijani leader before, and did a great deal to clear Karabakh of Armenians.

IF: A direct dialogue between Stepanakert and Baku became possible due to Russia's mediation. Concurrently, the CSCE continues its peace mission. How are these initiatives being combined?

Sarkisyan: Karabakh welcomes any peace initiative if it is sincere. However, it looks like the initiator pursues his own goals. The CSCE has been ignoring Karabakh's position for almost a year. But now that life itself is dictating events, the CSCE has begun to look at our proposals more seriously. Obviously, it is afraid to lose the initiative. The latest schedule of measures contain a more precise definition of Karabakh's status as an independent party. Of course, this is largely due to the direct contacts between Karabakh and Azerbaijan. The CSCE still resorts to the obsolete stereotypes which distort the norms of international law. And yet, signs of change are visible here, too.

IF: A state becomes a member of the world community if it is recognized by the community's members. Will the Nagorno-Karabakh Republic be recognized?

Sarkisyan: If Karabakh manages to assert itself in the world's political system, it will be recognized as an independent state. The Karabakh leaders have stated many times that they are ready to withdraw their troops from some of the occupied territories, if this proceeds in the context of a general settlement and the development of Karabakh's political status. Perhaps the only thing that can deliver a crushing blow to Karabakh's future is Armenia's direct participation in the war. Only a step such as this could remove the Karabakh issue from the agenda, and Azerbaijan is well aware of this. So, the longer the question of Karabakh's recognition is discussed, the greater is the danger of military escalation near the Armenian border. We have no right to allow this.

Karabakh Official on Readiness To Withdraw Forces

LD1311225093 Moscow INTERFAX in English 1625 GMT 13 Nov 93

[Text] As before, the self-proclaimed Nagorno-Karabakh Republic attaches special significance to continuation of direct bilateral contacts with Azerbaijan, adviser of Karabakh's Foreign Minister Samvel Sarkisian declared in his interview with Interfax. He called the situation, when Baku asserts that the conflict in the region takes place between Azerbaijan and Armenia, not recognizing Nagorno-Karabakh as an independent party of the conflict, as "rather funny." At the same time Azerbaijan urges Stepanakert to withdraw the forces.

According to Sarkisian, as a gesture of goodwill Karabakh is ready to withdraw its forces from the recently occupied territories situated in Azerbaijan's south-west to the previous positions under the provision that there will be certain guarantees not to resume hostilities on this section of the front.

Commenting consultations of the CSCE Minsk group held recently in Vienna, Sarkisian accused Baku of an attempt "to entirely liquidate the schedule of urgent measures developed at the previous round of consultations held in Paris late September and to replace it for its own."

Officer Warns of Spreading of Conflict With Armenia

NC1211184293 Baku TURAN in English 1329 GMT 12 Nov 93

[Text] Baku, November 12 (TURAN)—I am empowered to state that the further development of the Armenian aggression could lead to the unpredictable results, internationalize this conflict, and draw the neighbouring states into it, Colonel Aleksander Vasiak, the deputy-chief of the General Headquarters of the Armed Forces of Azerbaijan said at the press-conference in Baku today.

It was reported at the press-conference, that within the last days the Armenian forces, having violated the cease-fire agreement once more launched a new offensive in the south-west of Azerbaijan. According to the latest reports, the Armenian forces control about 100 kms-long sector of the Azeri-Iranian border. During the latest advance the Armenian forces managed to take the bridges through the River Araks, linking Azerbaijan with Iran under their control.

It was reported at the press-conference, that the concentration of the Armenian forces in three directions: Beylagan, Geranboskiy- Terterskiy and Kazakhskiy-Tauzskiy regions is observed.

As the military experts consider, the Armenian blow upon Beylagan (deep into Azerbaijan) could be aimed not only at the new territorial seizures but at the worsening of the refugee problem and at the severeation [as received] of the blockade of Nakhichevan and the south-west regions of Azerbaijan.

The Armenian offensive upon Geranboyskiy [Shaumyanovskiy] and Terterskiy is one of the most possible, to the experts' mind. The advance in this direction could finish by the seizure of these two regions.

At last, the notable forces of the Armenian Army are concentrated in the north-west borders of Azerbaijan recently. As the deputy- chief of the General Headquarters of the Armed Forces of Azerbaijan A. Vosiak said, 20 T-80 tanks, about 10 armoured personnel carriers, and 20 Grad and Uragan reactive [rocket] systems, which are the mass hitting weapons are concentrated in the bordering Idzhevanskiy and Noyembervanskiy regions of Armenia. 400 soldiers of the Armenian Army and 1000 Cossacks are transported there. The Cossacks

Regiment was raised in the Russian town of Armavir. The citizen of Russia Colonel Arakelian is the commander of the regiment.

Government Reverses Decision on Martial Law

LD1511091993 Moscow Radio Rossii Network in Russian 0200 GMT 15 Nov 93

[Text] Azerbaijan's Government has renounced its intention to introduce martial law in the republic, Interfax has learned from a source in President Geydar Aliyev's apparatus. At the same time the source said measures would be taken to tighten public and production discipline and the process of building the army would be stepped up. There are plans to set up military tribunals and courts martial to deal with deserters and draft-dodgers.

Armenian 'Terrorists' Attack Azeris Living in Georgia

NC1211183293 Baku TURAN in English 1329 GMT 12 Nov 93

[Text] Baku November 12 (TURAN)—Two men were killed and 18 wounded as a result of the firing on the Baku-Dmanisi (east Georgia) route bus by means of automatic gun November 9. The act of terrorism took place at the territory of Bolnisi region of Georgia. One of the passengers of the bus Zakir Gasimov told TURAN's reporter.

This is not the first act of terrorism against the Azeris, living in Georgia. So, during the last three years the Armenian terrorists attacked the Azeri villages in eastern Georgia more than once. As a result of these more than 10 Azeris were killed, a number of them were wounded. In this connection, the dwellers of Marneuli region of Georgia hold rallies for three days already demanding to release the hostages. At the same time a group of 5 young Azeris—the citizens of Georgia—went on a hunger-strike for an indefinite time period demanding to secure the Azeri population of Georgia. One of the strikers Natic Gumbatov told TURAN's reporter, that the persecutions of the Azeris are directed at one point—to make us flee Georgia. In his turn, the leader of the mass movement of the Azeris in Georgia Geyrat Alibala Askerov told TURAN agency, that only within this year 50 Azeris were taken hostages by the Mafiosis structures of Georgia.

According to the official reports, about 500 thousand Azeris live in Georgia, the majority of them live in the 5 south-eastern regions of the country.

Deserters Warned To Return to Units

NC1211203493 Baku Radio Baku Network in Azeri 1900 GMT 12 Nov 93

[Text] Here is an announcement: The command headquarters of the Azerbaijan internal troops informs the military servicemen who have deserted from their units to return to their military posts by 20 November 1993. Otherwise, criminal charges will be instituted against them in accordance with the laws which apply during wartime.

Aliyev Meets Visiting UK Parliament Delegation

NC1111200093 Baku AZERTAC in English 1538 GMT 11 Nov 93

[Text] Baku, November 11 (AZERTAC)—Today a group of Conservative members of the British Parliament had an audience with President Geydar Aliyev. The Azerbaijani president stated that development and strengthening of cooperation with Great Britain is one of the strategic directions of the republic's foreign policy. Mr. James Spycer, the head of the Democratic Union of Westminster is the leader of the delegation which has arrived to the republic to acquaint with political situation and establish relations between parliaments of both the countries.

The president of Azerbaijan said that his country stands up for development of economic relations and will create all sorts of possibilities to facilitate the use of the republic's economic potential by British businessmen. According to President Aliyev, the Azerbaijani authorities consider that Great Britain must use all its authority to help Azerbaijan to overcome a difficult situation which has developed as a result of Armenian aggression. Mr. James Spycer said that the British government completely support Azerbaijan and shares all its misfortune.

According to the British parliamentarian, development of bilateral partnership will strengthen when an Azeri-British interparliamental group is established in the British Parliament.

President Aliyev has approved an idea of organizing a similar group in the Azerbaijani Parliament too.

Georgia

Shevardnadze Views Domestic Issues

LD1211210493 Moscow Ostankino Television First Channel Network in Russian 1655 GMT 11 Nov 93

["Text" of remarks by State Council Chairman Eduard Shevardnadze during interview with correspondent Kira Vladina; place and date not given; from the "Visiting the Powers That Be" program—recorded]

[Excerpts] [passage omitted] [Vladina] Eduard Amrosiyevich, for more than two weeks I have been following your undercover visit to Sukhumi with fear and admiration. Even the tragic events in Moscow did not replace in my mind the pain of what is now happening in Georgia. Tell me, please, what is the cause of this catastrophe and where is the way out?

[Shevardnadze] It is almost impossible to explain all that is happening just by cold reasoning. What is happening today in Georgia and, in particular in Abkhazia, are probably side effects of the process of the shaping up and establishment of an independent state, the state that we lost two centuries ago and that was not yet ready—I mean, the people—to take the fate of their country into their own hands. The general cause, I think, lies here. This does not just apply to Georgia. It seems there are other states which are also experiencing serious difficulties.

It was an external force that for so many years had been promoting the growth of such frenzied local chauvinism, aggressive separatism, I would say, a fascist one. These forces had, in essence, been providing every kind of support—of political as well as material and financial kind, including the supplying of arms. This is how we have found ourselves in a situation where it is very difficult for a small country, essentially defenseless, to put up resistance against this force: a very powerful, very influential one in all respects.

To preempt your question which I expect you are going to ask, I believe that everything that happened in Moscow in those days was not and accident, was not something that happened suddenly. All these events are connected. They were prepared in advance. The rehearsal, so to speak, was held in Abkhazia, in this terrible war.

[Passage omitted: brief clip of an interview with Georgian theater director]

[Vladina] What is the way out?

[Shevardnadze] What is the way out? We are almost at a dead end now. The only force at the moment capable of restoring a balance somehow, of restoring justice in Abkhazia—and I do not mean the military force—is Russia. But another Russia, a different one. Because all that was happening...

[Vladina, interrupting] With a different mentality?

[Shevardnadze] With a different mentality and a different approach. Because, if we are to speak of strategic interests, I believe, and I always have believed that it is in Russia's best interests to see the united and whole Georgia, on the way to democratic development, actively and intensively cooperating with Russia. My opinion on this coincides with that of Boris Nikolayevich [Yeltsin], he has said the same thing. I very much hope that after the events in Moscow we might be able jointly to look for ways to establish new relations. Because these principles were destroyed through the efforts of those forces which we all know too well. Russia should find the necessary solution. We are striving for such cooperation.

[Passage omitted: interview with another theater director]

[Vladina] Do you think you have made a mistake taking on the responsibility for the Georgia's fate?

[Shevardnadze] This was a mistake, so to speak, a step which I have made deliberately and consciously. From the very beginning, from the very first day of my return to Tbilisi and my stay here I was saying that no rational politician would have taken such a step; it was almost suicidal. Yes, this is the word: almost suicidal.

[Vladina] What kind of Shevardnadze does Georgia need today? The one who has acquired the reputation of a peace-maker and a man of the world, or another, new one?

[Shevardnadze] Georgia now needs a Shevardnadze who will find a way out of this situation, this almost hopeless situation. The people will agree with any decision I make—they still have great faith in me.

[Vladina] Now that they are brought to their knees, this is natural.

[Shevardnadze] There is still a lot of argument about CIS. I did not take anyone's advice on this, so to speak, and took this responsibility myself, although I know what sort of reaction people...

[Vladina, interrupting] ...not unequivocal. I have already taken some interviews today.

[Passage omitted: interviews with people on the streets, largely in support of Shevardnadze, followed by interview with another theater director]

[Vladina] People like Kennedy and Margaret Thatcher had the courage to go against the wishes of the crowd. When joining CIS you had to overcome the mentality of people who can lead the crowds. And you still adopted such a decision. Am I right?

[Shevardnadze] You are right.

[Vladina] It is not just courage, it is heroism.

[Shevardnadze] You know, my ancestors had to take an even more weighty decision. When King Irakli the Second, one of the very brave and most intelligent rulers, was already more than 80 years old, he decided that Georgia should join the Russian state. Now there are different opinions expressed about it, and many believe that this was a fatal mistake made by an old man. In actual fact, by doing this he saved his nation, physically and in all other respects. There was no other option available at that time. The nation was facing complete extermination, total catastrophe. Now, at the end of the 20th century, conditions are different, the world is different. We are living on a different planet. This is why I am convinced that even if I am now going against the flow, in some ways, all the same I should be making this step and do what I believe has to be done, what I think is now necessary.

[Vladina] You are one of the very few leaders of today who is always ready to make a decision. Coming back to your biography, it is interesting to know...do you remember when Shevardnadze the political leader was born?

[Shevardnadze] When I was a child. I do not know, it just happened so, by itself, way back when I was in the young pioneers' organization.

[Vladina] Even back in your childhood you were prepared to make decisions and accept responsibility for your actions?

[Shevardnadze] Well, something like that used to happen. It is not easy to talk about it. Maybe later on I will write about it all.

[Passage omitted: comments by Shevardnadze's daughter]

[Vladina] I was once striken by one of Machiavelli's sayings that a prince should know when to use force. That small blood can stop the bigger blood. But by what yardstick should it be judged? Do you think you will never step over this threshold?

[Shevardnadze] Politics should be based on the principles of morality. When some people were suggesting that certain sacrifices must be made in the interest of a big cause I did not accept it. Maybe I am not quite right to think so. Maybe a different approach, more decisiveness, more cold-heartedness is needed here. But I am not like that. Very often I am criticized for becoming too loyal, too conciliatory to opponents.

[Passage omitted: comments by theater director]

[Vladina] Eduard Amrosiyevich, can you say whether you have become harder or softer with age?

[Shevardnadze] You know, something strange is happening. Usually when people get older—and I do not want to say that I am that old—they become more suspicious, even cruel sometimes. They become harder in general. But with me it is something different. I would not say I am a softie, so to speak, but I have softened up, became more sensitive than when I was young.

[Passage omitted: comments by Eldar Shengelaya, film director and chairman of the parliamentary commission for culture; tourist shots of Tbilisi are intercut with footage of mutilated and burned corpses]

[Vladina] Is there a constructive solution to the Abkhazian problem?

[Shevardnadze] If everybody demonstrates the necessary will and perseverance now, such a possibility will present itself. What we need now is to overcome the extremists, the Abkhaz extremists and not just them.

[Vladina] It is not just them alone, they are being helped from all sides. We all know it. Unfortunately, we are not doing much better either.

[Shevardnadze] Yes. Remember when Iraq attacked Kuwait? The United Nations and its Security Council were merciless then. I myself was actively in support of this course of action. One should not encourage aggression, encourage villains. One should not encourage deportation of people, genocide, ethnic cleansing. This will be dangerous.

[Passage omitted: interviews and footage of refugees]

[Shevardnadze] Tomorrow the same thing can happen to other states, other countries. Why, for example, not declare a full economic blockade of all of them? Why not teach them a lesson? After all, this is the end of the 20th century. Take the refugees. There are 200,000-210,000 in all: Georgians, Russians, Armenians.

[Passage omitted: Interview with a Russian woman refugee from Abkhazia]

[Shevardnadze] They will return if they are guaranteed safety. I have already said to the Russian leadership: If you think we need two divisions, please, send two divisions. As long as the situation is kept calm. It was difficult for me to say this. At first, when Grachev suggested this I refused. But later on, when I felt that indeed it will be difficult to save Sukhumi, I sent a telegram to Boris Nikolayevich [Yeltsin] and even phoned [former Russian parliament chairman Ruslan] Khasbulatov, he was then...

[Vladina, interrupting] ...the main troublemaker. Did you know this at that time?

[Shevardnadze] Yes. In principle, I knew. [former Russian Vice President Aleksandr] Rutskoy was threatening me, telephoned me in connection with those other events, saying that he will send a squadron, will bomb Tbilisi, and so on. These were not just words, there was the readiness to act so. Now I believe there is a way out of this. This is why I criticize Russia all the time. We should demonstrate a firm will here because one should not encourage what has happened in Abkhazia. This can be repeated tomorrow in Russia itself.

[Passage omitted: comments by culture official Shengelaya]

[Vladina] Eduard Amrosiyevich, you have just said that if you had guarantees you would withdraw tanks from Sukhumi; and what next?

[Shevardnadze] This is my misfortune and my tragedy. When the issue arose of withdrawing the tanks and all weapons, I was honest, and believed them, my so-called partners, in particular the representatives of Russia, that the other side would do the same. As it turned out, I have disarmed my people and the others were armed instead.

[Passage omitted: comments by theater director]

[Shevarndadze] Another question is: What next? Hundreds of people have died. This is horrific, impossible to describe. One cannot compare this with any catastrophe.

[Vladina] Now my question to you as a religious man: What do you ask of God?

[Shevardnadze] Only a miracle can save the country now. And a man cannot perform miracles. Some sort of divine intervention is needed. The only thing I pray for and dream of is for the Georgians being united. That they renounce this stupid plague, this stupid idea of dividing things. Who could suspect that there are such dark forces in our country, in my Georgia? I was not aware of them. I travelled everywhere, I know every corner of this land and I thought I knew practically everybody here. And it turned out that I was mistaken.

[Passage omitted: Remarks by Shevardnadze's personal physician, theater director]

[Vladina] Eduard Amrosiyevich, do you think that your resignation in December 1990 has prompted the collapse of the Soviet Union?

[Shevardnadze] I do not think so. Perhaps they could have kept the old Soviet Union. But what sort of union? Would it have been a union at all? It would have been the same prison of the nation. It will be totalitarianism and dictatorship again, be it in the form of the Politburo or of one person alone. If they had sacked me from the leadership, then I would not have had an opportunity to make such a statement and warn Russia and all the countries of the world of the impending dictatorship.

[Vladina] What is tormenting you when you are left alone with your thoughts?

[Shevardnadze] All my thoughts are concentrated on Georgia. Georgia is everything for me, it is my world, it is always on my mind. If I am unable to make a contribution to the salvation of the nation, the people of this multi-ethnic country, all its citizens, I will be the most unhappy man on Earth.

Shevardnadze Says Western Aid 'Not Sufficient'

AU1211091193 Berlin NEUE ZEIT in German 12 Nov 93 p 5

[Interview with Eduard Shevardnadze by Marcos Gittis in Tbilisi; date not given]

[Text] [Gittis] Did Georgia again lose its independence to Russia when it joined the CIS recently?

[Shevardnadze] No. Every country in this community of states is independent. Thus, I do not consider this step a tragedy for my country. I know that many in the government are not pleased that I signed the CIS agreement. Yet, in view of the political situation in Georgia, we have no choice. The most important thing is to end the war in western Georgia as quickly as possible. The CIS states will help us achieve that. Russian troops have been fighting against Gamsakhurdia's supporters together with Georgian Government troops in the past few days. Armenia and Azerbajan help us defend the strategically important railway line from western Georgia to Tbilisi, Yerevan, and Baku.

[Gittis] What advantages do you expect from cooperation with the CIS countries, particularly Russia?

[Shevardnadze] We can only cooperate with the democratic forces in Russia. I am primarily thinking of economic and cultural relations. I am convinced that this will help overcome the economic chaos.

[Gittis] What specific aid do you expect from the Western countries, particularly from Germany?

[Shevardnadze] I have often discussed this topic. If I had received a fee every time, we would have enough aid—if you know what I mean.

[Gittis] Are you saying that Western aid has failed so far?

[Shevardnadze] No, I would not put it that way. Unfortunately, it is not sufficient. In fact, the United States and European states continue to provide humanitarian aid, which is undoubtedly very important for Georgia. However, to prevent the war in the country, international peacekeeping troops would have been required. In the past few months, our parliament has written letters to the United Nations, NATO, and the European Community. Yet we never received a positive reply. The Germans and the French also left us in the lurch on this issue.

[Gittis] As state president, how do you assess Abkhazia's de- facto split mean from Georgia?

[Shevardnadze] I do not believe that it will be possible to separate Abkhazia from Georgia in the long run. This is inconceivable for me. In the same way as Germany eliminated its useless division and has become one country again, Abkhazia will again find its traditional place in Georgia after some time.

[Gittis] Would you be willing to hold talks with former President Gamsakhurdia to prevent further bloodshed?

[Shevardnadze] By all means. I will certainly not avoid such a meeting, whose preparation has been under way for some time. However, the other side has, so far, not been ready for this kind of contact.

Shevardnadze Rejects Use of Force in Abkhazia

LD1211172593 Moscow INTERFAX in English 1601 GMT 12 Nov 93

[Text] There should be no doubt about Georgia's commitment to a peaceful solution to conflicts no matter how thorny, Georgian leader Eduard Shevardnadze's press office said in a statement in Tbilisi. This follows Russian media reports that Tbilisi is planning to restore the country's integrity by the force of arms.

Although it admits that Shevardnadze has repeatedly spoken of wanting to get Abkhazia back in Georgian

fold, the statement warns against loose interpretation of the recent tragic events (meaning the Abkhazian conflict—IF [INTERFAX]) and any attempt to try to describe a scenario of further developments.

The statement also says Georgia will never reconcile with the secession of Abkhazia adding that autonomy will again be part of a single Georgian state which will meet the interests of justice, peace, and stability in Georgia and the Caucasian region as a whole.

Shevardnadze's personal envoy for Abkhazia Aleksandr Kavsadze says his country will set a precondition before the start of any regional peace talks. Such negotiations must be held within the framework of one state, Georgia, but not between two states—Abkhazia and Georgia.

However, Sukhumi, whose position is somewhat different, wants this issue to be discussed at the negotiations themselves, he said.

Kavsadze believes there is no option to a political solution to the conflict.

However, Deputy Speaker of the Abkhazian Parliament Sokrat Jinjolia in an interview with Interfax did not rule out a fresh outbreak of fighting along the Inguri river separating the two sides. Although he gave assurances that the Abkhazians would not be the first to open fire, they would retaliate if attacked.

The Abkhazian official reaffirmed that Russian troops deployed in western Georgia and marines of the Black Sea Fleet might set up a buffer zone along the Inguri river provided both sides agreed to accept it. He does not believe Moscow will ever allow Georgia to fight Abkhazia with the weapons it obtained from Russia to fight anti-government rebels in the west.

Jinjolia says he and the Russian president's special envoy Boris Pastukhov have agreed after several rounds of informal talks in Moscow that the regional talks must be continued. He said the peace talks must include Abkhazia and Georgia with Russia acting as mediator. Any talks on the future of Abkhazia and its relationship with Tbilisi must follow a non-aggression pact that can be reached as one of the first agreements, Jinjolia said.

On the country's status, the official does not rule out a local referendum on the future of Abkhazia.

Shevardnadze Ready To Let Russia Have Poti Navy Base

MK1311124093 Moscow KOMMERSANT-DAILY in Russian 13 Nov 93 p 5

[Dmitriy Kamyshev report: "Situation in Georgia. Russian Sailors Guard Georgian Port"—first paragraph is KOMMERSANT-DAILY introduction]

[Text] At the request of the Georgian Government, one more subunit of Russian marines landed in Poti yesterday morning to guard this important Black Sea port. This brings the number of marines landed in Poti to 850. In the meantime, the growing Russian military presence in Georgia, despite repeated protestations of neutrality from Russian leaders, is already leading to the virtual involvement of the Russian military in the internal Georgian conflict.

Russian servicemen guarding the railroad between Poti and Kutaisi have already been obliged to join fights with units of Zviad Gamsakhurdia's supporters. Now the sailors guarding the port of Poti have had their "baptism by fire." One sailor was wounded in the automatic fire on a Black Sea Fleet large amphibious warfare ship on Thursday. The Black Sea Fleet ship detachment, led by Fleet commander Eduard Baltin, anchored off Poti on the initiative of Eduard Shevardnadze to guard the sea lines of communication and to enable deliveries of foreign humanitarian aid to Georgia. The marines landed in the city over last week, however, are protecting not only the port but also vital points inside and around the city, backing up Georgia's Internal Affairs Ministry and Defense Ministry units.

The energetic actions by Russian sailors to restore order in Poti, which go far beyond the "guarding of sea lines of communication," recall the words of ex-president Zviad Gamsakhurdia who accused the Black Sea Fleet of a direct part in storming Poti. That statement already at that time sounded quite plausible given the ease with which government troops took the city. Besides, the Black Sea Fleet command is very interested in regaining its major base in Poti, and it is the present Georgian leaders who have agreed to let Russia lease the port. Last Thursday, Eduard Shevardnadze confirmed his readiness for the deployment of Russian ships in Poti on a permanent basis.

In the meantime, subunits of the group of Russian forces in the Transcaucasus together with Georgia's internal troops formations continue guarding the motor vehicle bridges and tunnels near the cities of Poti, Senaki, and Samtredia. According to information from the Transcaucasus Group of Forces press center, no incidents have been recorder lately. The question about the role of Russian forces may again become very topical, however, if the Georgian- Abkhazian conflict resumes. Georgian leaders repeatedly accused the Russian military of direct involvement and "helping the separatists" during the war in Abkhazia. Now, following Russia's large-scale military and economic backing to Eduard Shevardnadze's government, such accusations can be raised only by the Abkhaz leaders and those north Caucasus leaders closely linked with them. Although in recent days both sides stated their commitment to political methods of settling the situation in Abkhazia, recent experience convinces one that political and military methods in this conflict are indeed one step apart.

Shevardnadze: Situation Allows for 'Healthy Optimism'

LD1311174093 Tbilisi Radio Tbilisi Network in Georgian 1410 GMT 13 Nov 93

[Interview with head of state Eduard Shevardnadze by correspondent Mzia Siradze; place and date not given; from the "Itogi Nedeli" program—recorded]

[Text] [Siradze] Following a fortnight's resistance from the rebels, government troops managed to get the balance of the scales to their advantage and forced the former president's supporters to leave their last stronghold, Zugdidi. Naturally, a logical question arises as to whether the civil war in Georgia is over and if it will be possible to concentrate attention now on the solidarity process.

Here is an on-the-spot commentary by Eduard Shevardnadze, head of state and chairman of parliament on this issue exclusively for the program Itogi Nedeli:

[Shevardnadze] I think that, in principle, the problem has been resolved and at the moment everything depends on the government, the state authorities, whether we will be able to bring to a logical end what we have started. In principle, we have good, powerful support from the whole region's population. We have definite difficulties, but conditions have been created in order to secure stabilization and create relatively normal living conditions in this region, which is the key region of Georgia. In principle, there is a basis for good, healthy optimism.

[Siradze] Mr. Shevardnadze, the mass media has widely covered the arrival of hundreds of Russian marines. They link the sharp turn in the results of the conflict in the region specifically with this event. Do you think that this factor has specifically decided the successful outcome of the government troops' operations?

[Shevardnadze] I would not say that it was a decisive factor but it was a favorable factor in principle, and, to a certain extent, it was a stabilizing and important factor.

[Siradze] Do you think that their [Russian Army] presence more or less is facilitating the process of stabilizing the conflict in this region?

[Shevardnadze] Of course, otherwise we would not have invited them.

[Siradze] So, esteemed radio listeners, the head of state has noted very justly that a lot now depends on the authorities of the republic, whether it will be able to bring the undertaking to a logical end, and it also depends on all of us and how capable we are of comprehending that our welfare and the welfare of our future and our children's future is in our own hands.

State Troops Take Village Near Zugdidi Without Fight

LD1411154493 Moscow INTERFAX in English 1438 GMT 14 Nov 93

[Text] Georgian government troops took under control Saturday the village of Dzhvari, 20 km to the north of the administrative centre of Zugdidi. Armed units of supporters of ex-president Zviad Gamsakhurdia are in surrounding forests. Interfax has been told by a spokesman for the Georgian Interior Ministry, there have been no clashes with Zviadists so far. Yesterday the situation was calm throughout Western Georgia.

The head of the Zugdidi administration Adisher Chargazia in an interview to Interfax on Sunday has said that the situation in the city is improving. There are almost no crimes in Zugdidi which is under control of police and interior troops. Some businesses and bakeries are at work.

The Georgian vice-premier Zurab Kervalishvili and some government members arrived in Zugdidi yesterday. They held a meeting of the city's directors of enterprises where they outlined measures to normalize life.

The situation is stable in the Black Sea port of Poti. The city Mayor Roman Melia has told Interfax that the Black Sea Marines continue protecting law and order. Several foreign vessels are being unloaded in Poti.

Gamsakhurdia Supporters Near Surrendering Arms

LD1311191493 Moscow Russian Television Network in Russian 1700 GMT 10 Nov 93

[From the "Vesti" newscast]

[Text] According to a report by the press service of the Republic of Georgia's Defense Ministry, there was no fighting over the past 24 hours in western Georgia. Nevertheless, the armed supporters of ex-president Zviad Gamsakhurdia are continuing to build defense-works. Heavy equipment and personnel are being concentrated on the right side of the Inguri river.

At a briefing today for local and foreign journalists, the press secretary of the Georgian head of state said that the report by certain mass media about the concentration of government troops for an assault crossing of the Inguri river is groundless. In his words, they are deploying their subunits in places where the armed supporters of the ex-president which are hiding in Abkhazia could penetrate into west Georgian territory.

We received a report today from our Tbilisi correspondent that talks with Gamsakhurdia's armed supporters are being conducted fairly successfully and that in the near future - possibly this evening or tomorrow - a significant part of those fighting for Gamsakhurdia would surrender their weapons to Georgian government

forces. Our correspondent got this report from the press centre of the Georgian armed forces stationed in the west of the republic.

Tbilisi Denies Involvement of Marines in Conflict

LD1211221293 Moscow Russian Television Network in Russian 2000 GMT 12 Nov 93

[From the "Vesti" newscast]

[Text] Our Tbilisi correspondent Nikolay Kandiashvili today telephoned us with the text of an official Georgian Government statement denying that the contingent of Black Sea Fleet marines that landed in Poti had taken part in combat actions against Zviad Gamsakhurdia's supporters. The statement emphasizes that the landing force was located only in the vicinity of the town of Poti.

Meanwhile, Interfax, quoting the head of Eduard Shevardnadze's press service, has reported that there are presently marines in Zugdidi.

Black Sea Fleet Sailor Wounded; 100 Marines Land

LD1211141793 Moscow INTERFAX in English 1116 GMT 12 Nov 93

[Text] A large landing craft came under fire off the coast of Poti on Thursday [11 November], and, as a naval officer reports, one sailor was wounded.

Meanwhile, the ship Cesar Kunnikov anchored at Poti Friday morning to land about 100 marines to back up the earlier landed force of 750 men.

In an interview on Thursday, Eduard Shevardnadze said he would welcome Russia's permanent naval presence at Poti.

At a meeting with Chairman of Ajaria's Parliament Aslan Abashidze in Batumi on November 11, the Black Sea Fleet's Commander, Admiral Eduard Baltin precluded any plan to land marines in Batumi.

Spokesman Denies Combat Losses

LD1211225193 Kiev UNIAR in Ukrainian 0900 GMT 12 Nov 93

[Text] Sevastopol, 11 Nov—It has become known from sources close to the Black Sea Fleet staff, that of the Black Sea Fleet personnel conducting combat action in western Georgia, one officer has been killed and one warrant officer has been wounded. However, Captain Second Rank Andriy Hrachov, a senior officer at the Black Sea Fleet press center, denies this report. He has stated officially that there have been no combat losses among the Black Sea Fleet personnel.

Black Sea Fleet Commander Meets Abkhaz Leader

LD1311101793 Kiev UNIAN in Ukrainian 2030 GMT 12 Nov 93

[Text] Sevastopol—According to informed sources, on 12 November, near the port of Poti, Zviadists shelled the Black Sea Fleet vessel VDK-69 from shore. One crew member was wounded. On the same day there was a meeting between Black Sea Fleet Commander Admiral Eduard Baltin, who commands the Black Sea Fleet task force guarding the main communication facilities in the port of Poti, and Abkhaz Republic leader Aslam Abashidze.

According to Abashidze, Abkhazia sees its future in close interaction with Russia. Aslam Abashidze also appealed to Eduard Baltin to render assistance in exporting citrus fruits from Abkhazia.

Black Sea Fleet Ships Reportedly To Leave Poti

LD1311155893 Moscow INTERFAX in English 1322 GMT 13 Nov 93

[Text] Black Sea Fleet ships are concluding their peace-making mission in Georgia. As Interfax learned from sources close to Russia's naval headquarters, Sunday evening [14 November] all of them, together with their landing troops, will leave the Georgian port of Poti and head for their base, Sevastopol.

Commander Denies Withdrawal

LD1311182493 Moscow Radio Rossii Network in Russian 1700 GMT 13 Nov 93

[Text] According to INTERFAX, Admiral Eduard Baltin, commander of Russia's Black Sea Fleet, has denied reports that he intends to withdraw the fleet from Poti. A withdrawal can be carried out only by agreement with the Georgian leadership, he stressed. We shall stay in Poti for as long as necessary, Eduard Baltin declared.

4 Ships, Ukrainian Sailors Leave Poti

LD1511132993 Moscow INTERFAX in English 1119 GMT 15 Nov 93

[Text] On Sunday evening [14 November] two Black Sea Fleet ships, a mine-sweeper and the landing ship SDK-82, left the Poti harbor and headed for Sevastopol, INTERFAX reports from Western Georgia.

In accordance with a decision taken by the Black Sea Fleet commander Admiral Eduard Baltin, on consultations with the General Staff of Ukraine's armed forces, 41 sailors with Ukrainian citizenship are returning on board the ships to the fleet's main base.

This decision was taken in connection with an inquiry in Ukraine's parliament concerning the lawfulness of Ukrainian citizens' participation in the peace-making operation conducted by the fleet in Georgia.

In the meantime the remaining 7 Black Sea Fleet ships are still in the vicinity of Poti. Admiral Baltin is also there, though earlier he announced his intention to return to Sevastopol last week-end.

The fleet's marines continue to guard the essential facilities in the city, such as the port, highways and railroads. However, according to unofficial reports, the operation is drawing to a close.

The press center of the Black Sea Fleet neither denied nor confirmed these reports.

Curfew in Tbilisi To Be Extended

LD1211142193 Moscow Mayak Radio Network in Russian 1300 GMT 12 Nov 93

[Text] The curfew in Tbilisi will most evidently be extended to the new year. Interfax was told this in the Georgian capital commandant's office. The curfew was introduced in Tbilisi at the same time as the state of emergency was declared in Georgia in connection with the October actions by armed supporters of ex- President Gamsakhurdia.

Meanwhile, the situation in western Georgia has remained stable over the past 24 hours. After a power line was blown up on Thursday leaving Tbilisi virtually without electricity, security measures have been stepped up at Inguri GES [hydroelectric power station]. It is not ruled out that Gasakhurdia's supporters may again try to carry out acts of sabotage.

Russian troop units continue to protect road bridges and tunnels near the towns of Poti, Senaki, and Samtredia.

Abkhaz Leader: State Forces Building Up on Border

LD1211175193 Moscow ITAR-TASS in English 1705 GMT 12 Nov 93

[Text] Moscow November 12 TASS—Abkhazian leader Vladislav Ardzinba warned Friday [12 November] President Yeltsin against Georgia's preparations for an attack on Abkhazia.

His message to the Russian leader, circulated by the Abkhaz parliament, says "for the past few days Georgia has been concentrating armour, artillery and manpower on the left bank of the border river of Inguri".

The Abkhaz leader did not exlude the possibility of crossing the border by Georgian troops and proposed to consider stationing of peace-keeping forces and military observers in the area.

In Tbilisi, Shevardnadze's spokesman Zaza Kandelaki told a briefing that media reports about the possible crossing of the border by government troops were "groundlesss", a local ITAR-TASS correspondent reported.

According to Kandelaki, troops are stationed on the left bank of the Inguri to prevent leaking into Georgia of Abkhazia-based gunmen backing ex-President Zviad Gamsakhurdia.

The state-run GIA news agency quoted Friday Aleksandr Kavsadze, Shevardnadze's personal envoy, as saying: "The government and people of Georgia oppose a new war. Georgia gives priority to political means of resolving the Abkhazian conflict and hopes it will be backed in this by Russia, the United Nations and other international organisations".

Kavsadze said that "the Zviadisti bandits, camping now in Abkhazia with kind permission of Ardzinba, stage attacks on government troops, rob and murder people, and take hostages". He accused "Abkhaz separatists" of "intending to unleash a new conflict and putting the blame on the Georgian Government", GIA reported.

4 Abkhazians Reportedly Killed

LD1311115993 Moscow ITAR-TASS World Service in Russian 1051 GMT 13 Nov 93

[By ITAR-TASS correspondent Vladimir Gondusov]

[Excerpt] Moscow, 13 Nov—Over 4,000 soldiers of the Georgian Army are concentrated along the Iguri River, which has recently become a sort of border between Abkhazia and Georgia. Men and equipment continue to move up. An ITAR-TASS correspondent was told this today at the press service of the Republic of Abkhazia's plenipotentiary mission in Russia.

According to the same source, Georgian Government troops are carrying out aerial and ground reconnaissance, and are sending groups of saboteurs into Abkhazia. On Friday, four Abkhaz soldiers were killed as a result of one of the provocative actions.

Abkhazia's armed formations are adopting retaliatory measures. [passage omitted]

Abkhaz Foreign Minister on Buildup

LD1511120093 Moscow ITAR-TASS in English 1140 GMT 15 Nov 93

[By ITAR-TASS correspondent Irina Schegoleva]

[Text] Sochi November 15 TASS—Georgian troops are still being concentrated on the Abkhazian border along the Inguri River, the Abkhazian Foreign Minister Sayid Tarkil told ITAR-TASS on Monday [15 November].

He said that the Abkhazian leadership was awaiting a reply from the U.N. Secretary General Butrus-Ghali and Russian President Boris Yeltsin to a proposal to use U.N. observers and Russian troops stationed on the territory of the republic as a peace-keeping force deployed on the border along the Inguri River.

Otherwise, the situation in Abkhazia remains stable and calm, Tarkil said. Foreign businessmen from Turkey, the

United States, Holland and other countries continue trips to Abkhazia to familiarize themselves with the situation there which shows that life is coming back to normal in Abkhazia, the foreign minister said.

Tbilisi Denies Buildup

LD1311191893 Tbilisi CONTACT INFORMATION AGENCY in Russian 1715 GMT 13 Nov 93

[Text] The press secretary to the head of the Georgian state [Zaza Kandelaki] said at the briefing for domestic and foreign journalists that reports by some sources of mass media about the concentration of the government troops for storming the Inguri River are groundless. According to him the government troops are deploying their subunits on the paths of a possible infiltration into the territory of the republic by the armed formations of the former President Gamsakhurdia's supporters hiding in Abkhazia.

Abkhazia Appeals for UN Peacekeepers, Observers

LD1311101193 Moscow ITAR-TASS World Service in Russian 0919 GMT 13 Nov 93

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 13 Nov—Vladislav Ardzinba, chairman of the Supreme Soviet of the Republic of Abkhazia, today sent a request to the UN secretary general to post international military observers along the River Ingurim, which has recently become a sort of border between Abkhazia and Georgia, and to send peacekeeping forces to the republic. ITAR-TASS has received the document from the parliament of Abkhazia.

The letter from the Abkhaz leader stresses that the reason for appealing to such a prestigious international organization is that in recent days concentrations of government forces' armored equipment and personnel have been observed near the River Inguri.

Vladislav Ardzinba gives guarantees that Abkhazian armed units will not cross the River Inguri, and that they will not permit the passage through their territory of any combat formations. However, the Abkhazian side "would like to be sure that nothing is threatening its security, either," the document stresses.

Abkhaz Official Warns of Conflict Affect on Power Supply

LD1311172493 Moscow INTERFAX in English 1322 GMT 13 Nov 93

[Text] In his interview with Interfax Vice Premier of Abkhazian government Enver Kalba expressed concern over the fact that military confrontation of Georgian and Abkhazian forces on the Inguri river (on the border between Georgia and Abkhazia) takes place in close vicinity to the dam of the Inguri hydro-electric power station. He declared that in case hostilities in this region resume, there can appear a real threat that the dam will be destroyed. This, in its turn, will lead not only to cutting off power supply in Abkhazia and Western Georgia but "to a colossal tragedy consequences of which is difficult to predict."

Referring to experts' estimates, Kalba indicated that serious damage can be inflicted to Abkhazia's Gali and Ochamchira regions and several regions in the Western Georgia as a result of the dam's destruction and flood which can follow its destruction. He does not rule out possibility that Turkey's coast can also be damaged as a result of a giant wave caused by the breakthrough of the dam.

Russian Officer: More War With Abkhazia Unlikely

MK1311124093 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 13 Nov 93 p 1

[Dmitriy Kholodov report: "There Will Be No War—Electricity Gave Out. Will Russian Troops be Brought Into Abkhazia?"]

[Text] As little as one month ago, unit commanders of the Transcaucasus Group of Forces had orders not to grant their soldiers leave in Tbilisi. But times are changing. Now locals in western Georgia, distrustful of their local judges, bring their lawsuits and disputes to the Russian military guarding Georgian roads, we were told by officers of the Transcaucasus Group of Forces headquarters.

It has become known from sources close to Shevardnadze that he is dreaming of Russian troops' standing guard along the Inguri River between Georgia and Abkhazia. First, that would isolate almost 1,000 Zviadists who retreated to Abkhazia's Gali Rayon; second, those in favor of continued war against the Abkhazians inside Georgia would be separated from the Abkhazians.

Georgia will not be able to bear another war. Shevardnadze may soon try to sway public opinion toward a compromise with Abkhazia, and he would after all agree to talk with its leaders somewhere in Switzerland—at least in order to prevent a referendum on a new Abkhaz constitution.

One of those wishing to fight to the victorious end is Georgian Defense Minister Georgiy Karkarashvili. Incidentally, there was an attempt on his life the other day. Karkarashvili got away with a slight concussion but was advised to take a rest to recover.

That the Georgian Army will continue the offensive is hardly probable, agreed Vasiliy Belchenko, assistant commander of the Transcaucasus Group of Forces. Talking to us, he also denied the stubborn rumors circulating in Tbilisi about Russian troops' plans to take control of the Abkhazian section of the railroad between Sochi, Sukhumi, and Tbilisi and open it for trains from Russia to Georgia. This is supposed to be done by

personnel of the Transcaucasus Group of Forces, the North Caucasus Military District, and the group of Russian forces in Abkhazia. This ostensibly was negotiated by Shevardnadze and Admiral Baltin, the Black Sea Fleet commander.

But in all probability, the first train from Sochi to Tbilisi will not start soon. Abkhazian leader Vladislav Ardzinba has declared that he guarantees safety on the railroad neither to passengers nor freight along this route.

Shevardnadze Envoy on Hope for Political Solution

LD1311210893 Tbilisi Radio Tbilisi Network in Georgian 1410 GMT 13 Nov 93

[Text] A statement by Aleksandre Kavsadze, the personal envoy to the head of the Georgian state, chairman of the committee for human rights and inter-ethnic relations has been published in the press today.

The statement says that the situation has once again become extremely tense in west Georgian rayons adjacent to the Inguri River.

The situation is very similar to that of August 1992 when the Abkhaz separatists, having given the territory of Abkhazia to the [word indistinct] formations, provoked war. Now they want to start a new conflict and place the blame on the Georgian Government.

Georgia has always given, and is giving priority to political solutions to the Abkhaz conflict and is hoping to find support from the Russian Government, the United Nations, and other international organizations, says Aleksandre Kavsadze's statement.

Nadareishvili on Extending Abkhazia's Rights

LD1311221193 Moscow Radio Rossii Network in Russian 1600 GMT 13 Nov 93

[Text] Georgian Deputy Prime Minister Tamaz Nadareishvili believes that it is possible, in principle, to extend autonomous Abkhazia's rights within Georgia. In an interview with the Tbilisi newspaper ZAKAVKAZSKIYE VOYENNIYE VEDOMOSTI, he noted that the center could only regulate issues of Abkhazia's defense, finance, foreign relations, and communications, while the remaining issues should fall within the remit of the autonomy's authorities. However, Nadareishvili stressed that this was possible only on condition that the leadership of Abkhazia, that is, Vladislav Ardzinba, recognize the territorial integrity of Georgia and guarantee the conditions for the return of more than 200,000 refugees, who are not of Abkhaz nationality, to the territory of the autonomous republic.

Nadareishvili Protests Russian Reportage on Abkhazia

LD1411124993 Tbilisi Radio Tbilisi Network in Georgian 0800 GMT 14 Nov 93

[Text] Tamaz Nadareishvili, the deputy prime minister of Georgia, sent a letter to the Russian information minister, the chairman of the All-Russian Television and Radio Company, the director general of the All-Russian Television and Radio Company, the director of news programs, and the director of the Ostankino Television Company's news and television [as heard] agency.

The letter says that recently Russian mass media sources, the Novosti and Vesti news bulletins, when commenting on the events under way in Abkhazia, refer to the resolutions adopted by the Supreme Council of the Republic of Abkhazia. Proceeding from the above-mentioned, I would like to draw your attention to the fact that the Supreme Council is a nonexistent body, because the Republic of Abkhazia itself does not exist.

After the discriminatory and apartheid-like elections had been held, 65 deputies were included in the Supreme Council, but up to the present time, 31 deputies have divested themselves of their responsibilities and do not consider themselves members of Abkhazia's parliament, myself included. I used to be the first deputy chairman of Abkhazia's Supreme Council. One deputy, Mikheil Jincharadze, had been shot dead by the Abkhaz separatists and, therefore, every resolution adopted by the so-called Supreme Council is unconstitutional.

As for Abkhazia itself, it is called the Autonomous Republic of Abkhazia, and in order to change its name two-thirds of the nonexistent Supreme Council's votes will be needed, that is the vote of 44 deputies, which is practically impossible, says the author.

South Ossetian Defense Minister Assassinated

LD1411113193 Moscow Radio Rossii Network in Russian 1000 GMT 14 Nov 93

[Text] South Ossetia's Defense Minister Parpa Dzhoiyev was killed last night by armed people who burst into his house in Tskhinvali. According to one version, the murder was a result of settling personal scores. RIA reports that thousands of the city's inhabitants gathered on Tskhinvali's central square this morning. They demand that those who killed Dzhoiyev should be shot dead.

South Ossetian Parliament Building Damaged

LD1411173293 Moscow Radio Moscow World Service in English 1600 GMT 14 Nov 93

[Excerpts] The recently appointed defense minister of Georgia's autonomy of South Ossetia, that wants to materialize the right to self-determination, Parpa Dzhoiyev, was killed last night by armed men who rushed into his house. [passage omitted] That same night

a fire flared up in the building of the republic's parliament. Half of the building was destroyed. Arson might well be plotted in advance.

State Responds to 'Caucasian Peoples' Letters

AU1211185493 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 3 Nov 93 p 2

["Commentary" by the head of state's press service on letters sent to head of state Shevardnadze and Russian President Yeltsin from the Confederation of Caucasian Peoples (CCP)]

[Text] So, following the "heroic deeds" on the territory of the autonomous republic, the Abkhazian and north Caucasian extremists who unleashed an orgy of banditry there have arrived in other rayons of western Georgia; their leaders and inspirers are meanwhile addressing the Georgian head of state. As we can see, the letter is replete with "advise and exhortations," "wishes," and "recommendations." It is significant that all this comes from those whose actions have been unanimously assessed by the world community as a crime against humanity, one, we remind you, that was committed as a result of armed intervention on the territory of the sovereign Republic of Georgia. Recently, this aggression, intervention, and expansion, accompanied by unbelievable cruelty—the style is essentially the same—has continued in western Georgia.

The assertions made by the "advisers" are strikingly abusive in their form and unbelievably hypocritical in their content. Let us try to fathom them.

It is clear to every unbiased politician that Eduard Shevardnadze and "his circle" are unable to conduct "a policy of revanchism toward Abkhazia," as Shevardnadze is the leader of that state of which Abkhazia is an integral part. Batonebi [Georgian polite form of address] confederates stubbornly do not want to see and admit this, as, otherwise, all their claims would burst like soap bubbles. What they call "revanchism" signifies, in reality, a desire to restore historical justice, and it is hardly likely that this criminal, antipopular, and antidemocratic gang will succeed in creating obstacles on this path.

It is hardly worth discussing who unleashed the war when it is known which side fired upon Georgian Army subunits who were crossing the territory of their own country.

Furthermore, this could not be a war of "conquest" on the part of the Georgians as the concept of a state conquering its own territory does not exist; this is sheer nonsense from any point of view, but particularly from the political and legal point of view.

One can clearly agree that lessons need to be drawn from this war: Criminals, murderers, and terrorists should be treated in the appropriate manner.

Next. The Abkhazian people could in no way "seek to decide their own fate on the basis of universally accepted norms of international law" as they disposed of this a long time ago (1918) when they created an autonomous statehood within a unified Georgia. Who precisely is conducting "a policy of violence toward that people" can be seen from the genocide in Gagra, Gudauta, Sukhumi, Gulripshi, Akhaldaba, and so forth, and also from another tragic list filled with the names of 200,000 refugees, including those of Abkhazian nationality, who have found themselves outside Abkhazia, which is now under the control of the Gudauta gang.

One's attention is drawn to the "advice" that we should ponder over the base of our policy. The more we reflect upon our policy, the fewer doubts we have regarding its feasibility, although no one is insured against making miscalculations and mistakes. As for "aggressiveness, militarism, and Nazism," all this, as can be seen, "was reflected" in the Dagomys agreement of 24 June 1992, the Moscow agreement of 3 September 1992, the Sochi agreement of 27 July 1993, and in other documents that reflect the peace initiatives of the Georgian leadership; also in the fact that, through the efforts of our leadership, an end has been put to the bloodshed in the Tskhinvali region. It tried to do the same thing three times in Abkhazia as well, but was deceived on all three occasions. So, who then is conducting "an aggressive, militaristic, and Nazi policy?" Moreover, why did it become necessary for Russia to impose an economic blockade? Why did the world community lose no time in angrily condemning the blatant violence and banditry that is poorly masked by demagogic statements about the love of freedom? Was it because it noticed with what cynicism the Gudauta leaders, incited and spurred on by Khasbulatov and Rutskoy, who have now been thrown onto the scrap heap of history, organized a bloody orgy for the sake of their own political ambitions, which made the whole civilized world shudder?

We would also like to explain that the Georgian leadership is unable "to attempt again to unleash a predatory war in Abkhazia" as this war cannot be considered to have ended while this part of Georgia is under the control of the Gudauta criminals. It is another matter that the possibility of a peaceful end to it has not yet been exhausted, in theory, provided that the Gudauta leaders, after everything that has happened, at least now show a rational approach to the resolution of the problem.

As for being "firm in their resolve to defend the honor and freedom of the Abkhazian peoples," we should remind the CCP leaders that no one has infringed upon the honor and freedom of the Abkhazian people (and not "peoples") and no one is planning to do so apart from the CCP itself, whose cutthroats have become the principal characters in all the bloody tragedies staged during the last year in Abkhazia. One more thing: A handful of insignificant CMP leaders hardly has the right to speak on behalf of the "peoples of the north Caucasus" who, we are certain, are interested not in fratricide and bloodshed but in friendship and good-neighborly relations both

with the Georgians and the Russians, Abkhazians, Ossetians, and other peoples who inhabit the multinational Caucasus.

The concluding passage containing an absolutely undisguised threat that bears the character of an ultimatum—the incredibly insulting statement about "catastrophic consequences"—asks to be entered in the anthology of political vulgarity and unforgivable sacrilege.

As regards the letter addressed to the Russian president, we can state the following:

The Georgian leadership was not planning "to deprive" Abkhazia "of its statehood." This is shown by the fact that, as soon as the antistate and antipopular essence of the Gudauta gang had finally been exposed, a provisional government of the Abkhazian Autonomous Republic was formed in Sukhumi, composed of Abkhazians as well as Georgians. The war prevented the holding of elections to a new supreme body of representative power (as the old one had, to all intents and purposes, broken up and could not carry out its functions), although all the drafts submitted by the Georgian side at the negotiations on the full-scale regulation of the conflict did contain the proposal that such elections should be held together with the Gudautians. However, the current situation in and prospects for the Abkhazian state, when half of its citizens are outside its borders and the other half (which has remained in Abkhazia, including members of the government) are being terrorized by CCP thugs and Cossacks, indeed give rise to serious fears. Incidentally, these cutthroats can hardly be considered as representatives of the "peoples of the Russian Federation." One can hardly consider those real reactionaries, who did indeed participate in this military intervention, to be peoples of Russia.

It is interesting what "stabilization of the political situation" or "restoration of the national economy" one can speak about after the total and merciless ethnic cleansing as a result of which, of the autochthonous Georgian population that comprises almost half of all the inhabitants of the autonomous republic, not one person has remained on the territory of Abkhazia, at least not one living person.

Relations between the Russian Federation and Georgia cannot be built "to the detriment of the interests" of either the north Caucasian peoples or the Abkhazian people, as friendly relations between the two neighboring states can bring only good to all of them. We should not forget that the inhabitants of the north Caucasus, no matter what their ethnic origin, are citizens of Russia, while the inhabitants of Abkhazia are citizens of Georgia.

It is probably difficult to find in the diplomatic practice of the 20th century such an epistolary and political insinuation that is so unpardonable in its audacity and that is suffused with such slanderous assertions. The reactionary nature and underdeveloped world view of the authors of both letters is evident and surprisingly straightforward. The following question remains to be asked: What is the "CCP" ultimately seeking to achieve? Is it not the realization of the unrealizable idea of creating a new fundamentalist state under the aegis of the illegal "confederation," for precisely which purpose new forcibly acquired territories are necessary?!

The press service of the Republic of Georgia head of state.

Caucasian Confederation Denies Involvement in Conflict

LD1211212693 Moscow ITAR-TASS in English 1400 GMT 12 Nov 93

[By ITAR-TASS correspondent Tenghiz Pachkoriya]

[Text] Moscow November 12 TASS—"There are neither units nor separate individuals authorized by the Confederation (of Caucasian Nations) on Georgian territory," chairman of the parliament of the Confederation of Caucasian Nations Yuriy Soslambekov said in a statement addressed to Georgian President eduard Shevardnadze and the heads of state of the Commonwealth member-countries.

"Any involvement of groups representing the Confederation on any side in the conflict in Georgia would mean intervention in that country's internal affairs," the statement said.

Yuriy Soslambekov expressed concern about the possible complication of the situation in Abkhazia and proposed "refraining from any forcible actions and taking guidance from political means of reaching voluntary agreement through bilateral and multilateral negotiations".

Caucasus Confederation Meeting Ends in Tskhinvali

LD1411172293 Moscow Radio Rossii Network in Russian 1600 GMT 14 Nov 93

[Text] A meeting of the Confederation of the Caucausus ended in Tskhinvali today. It was stressed that the military events are affecting the situation in the region extremely adversely. The participants in the meeting believe that the Congress of Peoples of the Caucasus that will take place at the end of November will be devoted to the search for peace and accord.

Today, too, Lyudvig Chibirov, chairman of the parliament of South Ossetia, met with participants in the confederation meeting. He said that a draft constitution proclaiming South Ossetia's sovereignty is being discussed in that republic.

Security Minister Georgadze Discusses Issues

PM1211162193 Moscow KOMSOMOLSKAYA PRAVDA in Russian 11 Nov 93 p 2

[Interview with Security Minister Igor Georgadze by Sergey Chernykh in Tbilisi; date not given: "Georgia Promises To Take Russia Into Its Confidence. Georgia's New Security Minister Gave One of His First Interviews to KOMSOMOLSKAYA PRAVDA's Correspondent. There Were Weighty Grounds for This, as Readers May Recall"—first four paragraphs are KOMSOMOLSKAYA PRAVDA introduction]

[Text] Igor Georgadze was appointed Georgian security minister one month ago. He is 43 years old. He comes from a family of military men. His father, Panteleymon Georgadze, a career general in the USSR Border Guard Troops, was twice dismissed—under Gamsakhurdia and Shevardnadze. Both times for expressing excessively forthright opinions.

The Georgian security minister graduated from the Moscow Higher KGB School. He is a lawyer by training, with a knowledge of foreign languages (French, Turkish). He worked in intelligence for two years, and spent the rest of his time at the Lubyanka in counterintelligence. For specific operational assignments he was awarded the title of Meritorious Officer of the KGB, of which he is proud.

Colonel Georgadze was in Afghanistan. Returning to Georgia, he worked for some time as republic deputy security minister, but quickly resigned over disagreements with the policy pursued by President Gamsakhurdia. Moving to the Ministry of Defense structures, he formed the counterintelligence directorate. Convinced that all was not well there either, he moved to the police. He held the position of deputy minister, and gradually put together the Internal Affairs Operational Administration (Special Purpose Troops). Now he heads the structure which emerged as a result of the amalgamation of the Special Purpose Troops with the Information and Intelligence Service.

He is married with two children.

[Chernykh] Georgiy Panteleymonovich, would you not like to take on your father to work for you? After all, the main shortage in Georgia is the shortage of professionals.

[Georgadze] Apart from professionalism, my father also has pride and a sense of his own dignity. Here I am not his adviser. I do not rule out that he may return, but only if the offer comes from the head of state or from other representatives of the higher echelons of power.

[Chernykh] Creating the special purpose troop detachments, you attracted a large number of professional officers from Russia, Ukraine, and other states. Forgive me, but how do you pay for their labor? With their skills they could get fine salaries in many other places...

[Chernykh] All those working with me and helping to set up the special subunits are my close friends with whom I faced enemy fire in Afghanistan. My assault detachment is commanded by a four-times decorated Afghan veteran. He is no mercenary—he asked to be granted Georgian citizenship. In love with our country and with our guys. There are many such people. And he, like his other colleagues, earns exactly as much as a major in the Georgian Army.

[Chernykh] That is to say, 75,000 coupons—which is approximately 2,000 rubles?

[Georgadze] That's right... They themselves wanted to create Georgian, rather than mercenary, special subunits. Our specialists in this area are as good as the French, U.S., or any other specialists. I believe that Georgia does not need a large army. This is disadvantageous and inexpedient. We need border guard troops, internal troops, and special purpose detachments. And I am making every effort to ensure that these detachments are the country's pride.

Our last operation was landing an assault force in the rear of the Zviadists during the taking of Senaki. The assault force made a decisive breakthrough in combat operations.

Right now our possibilities of attracting specialists are expanding. The Russian and Georgian Ministries of Security have signed a memorandum stipulating that we will promote efforts to safeguard the security of both countries.

[Chernykh] I recall that in February of last year there were already attempts to set up working contacts with the Russian Ministry of Security. At that time Ilya Beroshvili, another careeer intelligence officer and also an Afghan veteran, was supposed to tackle this task. But, as you recall, he was murdered in his own apartment on the day he was due to leave. Quite a riddlesome story...

[Georgadze] He was a real soldier, but he trod a lonely path. If he were alive right now, we would have been together. We have some suspicions about his death, but so far we have not been able to build a case from them. I assure you that we will settle with those who committed this crime.

[Chernykh] The death of Fred Woodruff was equally enigmatic. They say that the case is closed and that six men from the Ministry of Internal Affairs [MVD] have been recommended for awards. The MVD top brass believe that the shot was fired inside the car...

[Georgadze] We had a meeting with a CIA leader, and we agreed that this was an accidental killing.

[Chernykh] Does Gamsakhurdia have a line of retreat today?

[Georgadze] He will go through Abkhazia. This is a totally uncovered road. I am sure that he will use it.

[Chernykh] What do you think, has Gamsakhurdia shot his bolt, or could he still be a lever of influence in Georgia?

[Georgadze] So-called "Zviadism" is nothing more than paranoia. The virus itself can be isolated, but the causes of its dissemination must be eliminated. After all, there was smallpox and the plague, but inoculations were found, and these illnesses are no more. The problem of the phenomenon itself will probably be studied by psychiatrists and psychologists.

We have on the whole given this phenomenon too much status by describing it as an "ism." It is not a teaching or a philosophy—it is an absurdity, simply a fever of the brain.

As a professional, I can say only one thing: Gamsakhurdia and the phenomena associated with him can offer real aid to any destructive force, because he himself and his supporters have no ideas except the thirst for power.

[Chernykh] In Georgia everyone is talking about certain shadowy circles in Russia. It is because of them, they say, that the Georgian economy has been destroyed, that Abkhazia was lost, and that there is fighting in Megrelia. But no one has once named the specific organizers of this sabotage.

[Georgadze] Only the courts can name names. The head of state, in response to your question, has already indicated some of the destructive forces. I, as a representative of the special services, can say that some of our so-called politicians had, and still have, specific, fixed relations with representatives of Russia, but I cannot state that this is Russia's state policy.

Let us reason thus: Did Chechnya fight on Ardzinba's side? Is Chechnya Russia? You can draw any number of such parallels. But after all, Chechnya is diverse. And Russian generals are also diverse. And its colonels... Some come and say: We will stand with you, we love your country. Others: We are with the Abkhazians. The helicopter pilots who at one time fought with us against Zviad, are now on the other side of the barricades...

[Chernykh] SEGODNYA has published an article calling Mchedlidze and Demetrashvili representatives of the Georgian spy network in Russia. Is this true, and do you conduct intelligence work on Russian territory?

[Georgadze] Demetrashvili is a press center employee. As for Mchedlidze, he is a former USSR KGB officer, and subsequently worked in the Information and Intelligence Service [IIS]. I will say to you bluntly: He has fulfilled specific IIS tasks but, after our meeting with the Russian security minister, an agreement was reached that we would abolish this "position" as such, and we have done so. Mchedlidze is a conscientious officer and is not mixed up in any antistate actions on Russian territory. We gave him a pension—in short, we resolved this question very simply.

I can honestly declare to you: While I am Georgian security minister, neither the service, nor the ministry, nor its officials will carry out any actions inflicting any harm on Russia whatsoever.

[Chernykh] Georgian troops lost Sukhumi, two days later—the entire remaining part of Abkhazia, then Poti, Lanchkhuti, and Samtredia... And suddenly the "Georgian spring" begins to unwind. Within just as short a space of time government troops won back Samtredia and took control of half of Megrelia. How is all this to be explained?

[Georgadze] As an operations officer I can only talk of the operational and morale aspects. Initially the "Sukhumi syndrome" took effect, that is to say, panic spread. Near Kutaisi the government troops came to themselves, looked round, gathered their thoughts, and pooled their strength to go on the offensive.

Unfortunately, Russian troops have not yet joined in. I say "unfortunately" not because I want anyone to be drawn in anywhere. Simply, the stronger we are, the less casualties there would be on both sides. What we are getting today with much blood, we could take with minimal losses on both sides. It is not our task to survive ourselves, but to trample the adversary underfoot. On their side 80 percent are misguided people...

[Chernykh] You call the problem of drug addiction one of the most serious in Georgia. Why?

[Georgadze] It is almost a national disaster. We must note with regret that the collapse of the borders has been accompanied by an influx of smugglers and the regrouping of forces of the international drugs mafia. We can already say that Georgia has become a transit country for international drugs maffia channels. If we do not take the most stringent measures, we will have a sick nation in the near future. [Georgadze ends]

P.S. Readers will recall that on 4 October our own correspondent was detained by officers of the Georgian special services on suspicion of espionage. The incident was closed under the old IIS leadership, and apologies were offered to the newspaper.

Kadagishvili: Shevardnadze 'Saved' Country

MK1211133093 Moscow NEZAVISIMAYA GAZETA in Russian 12 Nov 93 p 3

[Unattributed report under the "NEGA Reports" rubric]

[Text] "Deciding to join the CIS, Shevardnadze has saved Georgia from physical destruction and annihilation," Georgian Vice Premier Amiran Kadagishvili stated at a press conference yesterday. He also remarked that "had Georgia not joined the CIS, the civil war would have been even bigger in scope." In Kadagishvili's opinion, Georgia's joining the CIS is not going to benefit Georgia economically in any way over the coming two years because the crisis is too deep. The value of the

Georgian coupon is plummeting and banking relations in the republic are crumbling. The vice premier believes that catastrophe would have been inevitable had the Georgian coupon not been introduced in a timely way (5 April).

Amiran Kadagishvili stated that the only guarantor of the development of Georgia's free economy is Eduard Shevardnadze, who is expected to help in the progress of economic reforms.

Estonia

Talks With Russia Open in Tallinn 15 Nov

LD1511094893 Moscow ITAR-TASS in English 0833 GMT 15 Nov 93

[By ITAR-TASS correspondent Albert Maloveryan]

[Text] Tallinn November 15—A new round of Russian-Estonian talks which opened here today centres around economic, political, cultural, military and frontier problems which exist now in bilateral relations between the two countries.

A well-informed source said the Estonian side places heavy accent on issues of withdrawing Russian troops from its territory and putting Russian-Estonian borders in line with the Russian-Estonian peace treaty of 1920.

Positions on Border 'Unchanged'

LD1211212393 Tallinn Radio Tallinn Network in Estonian 1200 GMT 12 Nov 93

[Text] The Estonian delegation's positions on the border issue remain unchanged at the talks held with Russia and match the Estonian Constitution. This is what Raul Malk, head of the Estonian delegation's working group on the border issue stated to BNS. Vitaliy Churkin, Russian deputy foreign minister has told Interfax that Tallinn recognizes officially the present Estonian-Russian border and for this reason some Estonian politicians' bravado constitutes no danger to Russia. A political decision should have been made on the border issue a long time ago, and this would have removed this subject-matter from the agenda, Churkin said.

Estonia calls the present border with Russia a temporary control line. According to the constitution, the Estonian-Russian border proceeds along the line agreed in the 1920 Tartu Peace Treaty, in the current Leningrad and Pskov oblasts. According to Raul Malk, the Estonian delegation has no mandate to speak about any other positions than those enshrined in the constitution.

Russia's Churkin on Hopes for Summit in Nov

WS1211133793 Tallinn ETA NEWS BULLETIN in English 0851 GMT 12 Nov 93

[From 12 November RAHVA HAAL, HOMMIKULEHT, p 1,3]

[Text] Friday, November 12—Russian Deputy Foreign Minister Vitaliy Churkin expressed the ministry's hopes that the meeting between the Russian and Estonian presidents may take place in the end of November. A number of principal decisions will have to be made at the summit and several agreements signed, he added.

Churkin announced that the troops withdrawal agreement is nearly ready with the exception of some individual issues, particularly the material problems and withdrawal deadline. He criticized the Estonian position on the border issues. The summits would enable to conclude one stage of the Baltic-Russian relations and to open a new era, he predicted.

The Riigikogu majority coalition made a joint statement yesterday, expressing the hope that President Lennart Meri will not make concessions contradicting Estonian laws at the summit meeting. They particularly referred to the Russian demand for a granting of unconditional residence permits to Russian retired officers. "Fatherland" faction chairman Tiit Sinissaar stressed that Estonia already has regrettable experience of having to explain matters post factum, adding that the statement was also meant for the Estonian delegation of negotiations with Russia. Russia is not a reliable partner, MP Kalle Jurgenson added.

The Russian government charged the Foreign Ministry with taking care that "adequate compensation for real property bought or built by Soviet or Russian funds in the Baltic states after 1940 be stipulated in agreements with the Baltic states" the day before yesterday. The expected proceeds are to be used for building apartments for the military evacuated from the Baltic states. Construction of housing would be considered a form of compensation, the government pointed out.

'Powerful Bomb' Explodes at Police Station

LD1411203393 Helsinki Suomen Yleisradio Network in Finnish 1900 GMT 14 Nov 93

[Text] Another powerful bomb has exploded in Tallinn. The explosion took place outside the (Katriork) police station a few hours ago. Two policemen were injured and three vehicles were wrecked in the blast. There is no information yet about the perpetrators of the bomb attack. This was the second attack on the same police station. The previous explosion took place a fortnight ago. According to the Tallinn police, today's explosion was twice as powerful as the previous one.

Latvia

Prime Minister Comments on Troop Withdrawal From Baltics

LD1211203193 Riga Radio Riga Network in Latvian 1800 GMT 12 Nov 93

[Text] On his way back from the UN General Assembly, Prime Minister Valdis Birkavs will visit Denmark on an unofficial working visit. During the visit, he will meet the Danish prime minister, foreign minister, defense minister, and other representatives of the Danish Government. At Riga airport Birkavs announced that possibly at the beginning of next week, during the session of the UN General Assembly, a resolution will be adopted on the withdrawal of troops from the Baltic lands. The question of the withdrawal of Russian troops from the Baltic countries is included on the agenda of the General Assembly as a separate point.

In Birkavs' words, the resolution is especially important because on Monday the Latvian-Russian bilateral talks on troop withdrawal will resume. He emphasized that most of the questions to be discussed during the session with representatives of other countries are connected with the withdrawal of Russian troops from Latvia and the state's security in general.

For his part, the leader of the Russian delegation in talks with Latvia, Sergey Zotov, believes that the next round of talks between Russia and Latvia might become a breakthrough in the process of talks between the two countries in preparing a treaty and other agreements concerning with the withdrawal of Russian Army units from Latvia. The meeting of the Russian and Latvian delegations will take place on Monday in Jurmala. Zotov said that in the event that work is concluded on the pacts on the withdrawal of Army units and the social guarantees for military personnel, conditions will have been created for a visit to Russia by Latvian President Guntis Ulmanis.

Foreign Ministry Issues Statement on Talks With Russia

LD1311211393 Riga Radio Riga Network in Latvian 1400 GMT 13 Nov 93

[Text] The Latvian Foreign Ministry today distributed a statement about the latest remarks by a responsible official of the Russian Foreign Ministry on the impending Latvian-Russian talks, which are to start in Jurmala on Monday. The Latvian Foreign Ministry states that Latvia has always wanted to achieve constructive results in talks with Russia that fully correspond to the interests of the world community, and which more than once have been fixed in authoritative documents of international organizations and supported by respect for the basic stances of international laws.

The statement by the Latvian Foreign Ministry emphasizes that a successful outcome of the talks is dependent on what radically new proposals are discussed with the Latvian delegation by the Russian side, as well as the extent to which these proposals are upheld by a real desire to make compromises. The Latvian Foreign Ministry is perplexed by the standpoint expressed by the Russian side in the mass information media, quoted before [word indistinct] the Latvian delegation will acquaint itself with.

Russian Team Brings 'New Proposals'

LD1511132193 Riga Radio Riga Network in Latvian 1200 GMT 15 Nov 93

[Text] A Russian delegation has arrived for regular interstate talks between Latvia and Russia, bringing with it a package of new proposals aimed at resolving all the issues related to the withdrawal of the Russian Army from Latvia. These have so far not been coordinated, Sergey Zotov, the head of the Russian delegation, told journalists on his arrival in Riga today. He added that Russia's proposals also include the possibility for reducing the time set for the troops' withdrawal. New possible solutions concerning Russian military facilities of strategic importance in Latvia will also be put forward.

Zotov has not given more detailed information, explaining that he will first make the new proposals known to the Latvian delegation.

Christopher Sends Letter to Daugavpils Official

WS1511111293 Riga LETA in English 1331 GMT 12 Nov 93

[Text] Daugavpils, November 12 (LETA)—The U.S. Secretary of State Warren Christopher sent a letter to deputy-chairman of the city council in Daugavpils Grigory Mercurev, where he voiced his gratefulness for taking part in the meeting held in Riga during the visit of the top-ranking guest to Latvia. The head of the state department says in his letter: "The United States show a keen interest in the current situation in Latvia and its democratic trend. In this connection I found it helpful for me to know the frame of mind of all Latvian residents, including ethnic Russians and Jews. Our talk appeared very informative and helped me to get acquainted with the processes in relationships between nationalities living in Latvia."

Lithuania

Chernomyrdin Visit Postponed to 18-19 Nov

LD1311113993 Vilnius Radio Vilnius in English 2230 GMT 12 Nov 93

[Text] As reported by the Baltic News Service, the visit of the Russian prime minister Viktor Chernomyrdin to Lithuania has been put off and will take place on 18-19 November.

It had been earlier agreed during the meeting of the Lithuanian and Russian presidents that Viktor Chernomyrdin would visit Vilnius on 15-16 November. The causes of the change have not been given.

Beijing, Vilnius Pledge Friendship, Trade

LD1311174793 Moscow ITAR-TASS in English 1719 GMT 13 Nov 93

[By ITAR-TASS correspondent Vyacheslav Tomilin]

[Text] Beijing November 13 TASS—Beijing and Vilnius "support each other on territorial issues." Lithuania recognises the Chinese Government as the only legitimate government of China and considers Taiwan as its inalienable part, a joint statement issued in Beijing on Saturday said.

In the statement issued in the wake of Lithuanian President Algirdas Brazauskas' visit to China, Lithuania pledged not to establish official ties with Taipei. In

exchange, the Chinese Government said it would recognise Lithuania's independence, sovereignty and territorial integrity.

The sides also pledged to boost ties on the basis of five principles of peaceful co-existence and confirmed their adherence to peaceful ways of settlement of disputes.

China and Lithuania will grant each other most favoured nation status in trade and economic cooperation, open company and bank representations, develop cooperation in investments and set up joint ventures. They also agreed to establish direct ties between enterprises, including for barter trade on a "balanced basis."

Transport Agreement Signed

LD1011223793 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 10 Nov 93

[Text] Lithuanian President Algirdas Brazauskas continues his visit to China. Here is Audrius Braukyla on the phone from Haikou:

[Braukyla] The Lithuanian state delegation headed by President Algirdas Brazauskas arrived this morning in Haikou, the capital of Hainan. [passage indistinct]

Meanwhile, Lithuanian Transport Minister Jonas Birziskis and Chinese Minister of Railways Han Zhubin signed an agreement on cooperation in the sphere of railway transport in Beijing yesterday. The document deals with the issues of mutual settling of accounts and improvement of passenger and cargo transportation.

An agreement has been reached concerning the use of the port of Klaipeda for the transportation of Chinese cargo.

Brazauskas News Conference on China, Chernomyrdin

LD1511111793 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 15 Nov 93

[Excerpt] President Algirdas Brazauskas held a news conference today to outline the results of his latest visits to Kazakhstan and China. Correspondent Algirdas Usas reports on this news conference and also gives news from the Seimas:

Opening the news conference, Algirdas Brazauskas said that the working visit to Kazakhstan and an official visit to China had political and economic significance for Lithuania. During the last six months meetings have been held with heads of states which are members of the UN Security Council. We feel that attention is being paid to Lithuania by the big states, the president of Lithuania said.

Talks with the Chinese leaders made a good impression on us because the talks were conducted in a natural [words indistinct]. We did not idealize our relations; we saw a future for them, Algirdas Brazauskas stressed.

One of the objectives of the visit was to get acquainted with the activity of the free economic zones in China. The result is evident, and now the experience of such zones should be given a thorough discussion in Lithuania. Using the Chinese experience, amendments could be made in the draft law that has already been prepared.

Answering journalists' questions about why Russian Prime Minister Viktor Chernomyrdin did not arrive today, Algirdas Brazauskas said that he had no information to give, although he expected that the visit would be paid this week and that documents would be signed. [passage omitted about the Seimas plenary session agenda for this week]